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# **Finance & Tax Committee**

**Thursday, February 23, 2006  
9:00 AM – 12:00 PM  
404 HOB**

**MEETING PACKET**



# **The Florida House of Representatives**

**Fiscal Council**

**Finance & Tax Committee**

**Allan G. Bense**  
Speaker

**Fred Brummer**  
Chair

## **Property Tax Workshop**

**February 23, 2006**

**9:00 AM – 12:00 PM**

### **AGENDA**

#### **I. Overview of Property Tax Systems**

- A. Constitution (Kama Monroe)
- B. Statutes (Kama Monroe)
- C. Paradise (Jose Diez-Arguelles)
- D. Department of Revenue's Role (David Beggs)

#### **II. Historical Statistics (David Beggs)**

#### **III. Proposed Constitutional Amendments (Jose Diez-Arguelles)**

HJR 353-Rep. Lopez-Cantera

HJR 413-Rep. Sands

HJR 441-Rep. Zapata

HJR 631-Rep. Sansom

HJR 953-Rep. Stargel

HJR 1071-Rep. Taylor

HJR 443-Rep. Barreiro

HJR 39-Rep. Farkas

HJR 33- Rep. Domino

HJR 239-Rep. Ryan

HJR 417-Rep. Llorente

HJR 598- Rep. Geller.

**IV. Comments by Interested Parties**

**V. Adjourn**

**Florida  
Constitution**

# **Ad Valorem Taxation and the Florida Constitution**

**Presented by Kama Monroe  
Senior Attorney  
House Finance and Tax Committee  
February 23, 2006**

## Article VII, Section 1

Taxation; appropriations; state expenses; state revenue limitation

(a) No tax shall be levied except in pursuance of law. No state ad valorem taxes shall be levied upon real estate or tangible personal property. All other forms of taxation shall be preempted to the state except as provided by general law.

# Article VII, Section 2

Taxes; rates

All ad valorem taxation shall be at a uniform rate within each taxing unit, except the taxes on intangible personal property may be at different rates . . .

# Article VII, Section 9

## Local taxes

(b) Ad valorem taxes, exclusive of taxes levied for the payment of bonds and taxes levied for up to two years with voter approval, shall not be levied in excess of:

- For all county purposes, ten mills
- For all municipal purposes, ten mills
- For all school purposes, ten mills
- For water management purposes, .05 mill or 1 mill
- For all other special districts, the amount authorized by law and approved by the voters therein

# Article VII, Section 4

Taxation; assessments

By general law regulations shall be prescribed which shall secure a just valuation of all property for ad valorem taxation

# Article VII, Section 4

## Taxation; assessments

- (a) Agricultural land, high water recharge land, or noncommercial recreational lands may be classified and assessed based on use.
- (b) Stock in trade or livestock may be exempted, classified, or assessed at a specified percentage of value.
- (c) Save our Homes.
- (d) Allows counties or municipalities to classify historic properties and assess them based on use for their respective levies.
- (e) Living quarters for parents or grandparents.

# Article VII, Section 3

## Taxes; exemptions

(a) All property owned by a municipality and used exclusively by it for municipal or public purposes shall be exempt from taxation. A municipality, owning property outside the municipality, may be required by general law to make payment to the taxing unit in which the property is located. Such portions of property as are used predominantly for educational, literary, scientific, religious or charitable purposes may be exempted by general law from taxation.

# Article VII, Section 3

## Taxes; exemptions

- (b) Exempts at least \$1000 of personal goods to every head of household and \$500 of property for every widow, widower, or person who is blind or totally disabled.
- (c) Allows counties or municipalities to grant exemptions from their levies for a new or expanding businesses.
- (d) Allows exemption by general law for renewable energy devices.
- (e) Allows counties or municipalities to grant exemptions from their levies for historic properties

# Article VII, Section 6

## Homestead Exemptions

- (a) Every person who owns and permanently resides on a property shall have a \$5,000 exemption on the property.
- (b) One exemption per individual or family unit.
- (c) Exemption increased to \$25,000 for school levy. Exemption increased to \$10,000 for all levies for disabled person and people over 65 unless (d) applies.
- (d) Exemption is increased to \$25,000 if state agency finds tax roll in compliance with section 4 (just valuation). "This section shall stand repealed on the effective date of any amendment to section 4 which provides for the assessment of homestead property at a specified percentage of its just value."
- (e) The legislature may provide relief to permanent residents who are renters by general law.
- (f) Counties and municipalities may, for their respective levies, grant an additional \$25,000 homestead exemption to low income seniors.

**CONSTITUTION OF THE STATE OF FLORIDA  
AS REVISED IN 1968 AND SUBSEQUENTLY  
AMENDED**

**ARTICLE VII FINANCE AND TAXATION**

**SECTION 1. Taxation; appropriations; state expenses; state revenue limitation.—**

(a) No tax shall be levied except in pursuance of law. No state ad valorem taxes shall be levied upon real estate or tangible personal property. All other forms of taxation shall be preempted to the state except as provided by general law.

(b) Motor vehicles, boats, airplanes, trailers, trailer coaches and mobile homes, as defined by law, shall be subject to a license tax for their operation in the amounts and for the purposes prescribed by law, but shall not be subject to ad valorem taxes.

(c) No money shall be drawn from the treasury except in pursuance of appropriation made by law.

(d) Provision shall be made by law for raising sufficient revenue to defray the expenses of the state for each fiscal period.

(e) Except as provided herein, state revenues collected for any fiscal year shall be limited to state revenues allowed under this subsection for the prior fiscal year plus an adjustment for growth. As used in this subsection, "growth" means an amount equal to the average annual rate of growth in Florida personal income over the most recent twenty quarters times the state revenues allowed under this subsection for the prior fiscal year. For the 1995-1996 fiscal year, the state revenues allowed under this subsection for the prior fiscal year shall equal the state revenues collected for the 1994-1995 fiscal year. Florida personal income shall be determined by the legislature, from information available from the United States Department of Commerce or its successor on the first day of February prior to the beginning of the fiscal year. State revenues collected for any fiscal year in excess of this limitation shall be transferred to the budget stabilization fund until the fund reaches the maximum balance specified in Section 19(g) of Article III, and thereafter shall be refunded to taxpayers as provided by general law. State revenues allowed under this subsection for any fiscal year may be increased by a two-thirds vote of the membership of each house of the legislature in a separate bill that contains no other subject and that sets forth the dollar amount by which the state revenues allowed will be increased. The vote may not be taken less than seventy-two hours after the third reading of the bill. For purposes of this subsection, "state revenues" means taxes, fees, licenses, and charges for services imposed by the legislature on individuals, businesses, or agencies outside state government. However, "state revenues" does not include: revenues that are necessary to meet the requirements set forth in documents authorizing the issuance of bonds by the state; revenues that are used to provide matching funds for the federal Medicaid program with the exception of the revenues used to support the Public Medical Assistance Trust Fund or its successor program and with the exception of state matching funds used to fund elective expansions made after July 1, 1994; proceeds from the state lottery returned as prizes; receipts of the Florida Hurricane Catastrophe Fund; balances carried forward from prior fiscal years; taxes, licenses, fees, and charges for services imposed by local, regional, or school district governing bodies; or revenue from taxes, licenses, fees, and charges for services required to be imposed by any amendment or revision to this constitution after July 1, 1994. An adjustment to the revenue limitation shall be made by general law to reflect the fiscal impact of transfers of responsibility for the funding of governmental functions between the state and other levels of government. The legislature shall, by general law, prescribe procedures necessary to administer this subsection. **History.**--Am. H.J.R. 2053, 1994; adopted 1994.

**SECTION 2. Taxes; rate.—**

All ad valorem taxation shall be at a uniform rate within each taxing unit, except the taxes on intangible personal property may be at different rates but shall never exceed two mills on the dollar of assessed value; provided, as to any obligations secured by mortgage, deed of trust, or other lien on real estate wherever located, an intangible tax of not more than two mills on the dollar may be levied by law to be in lieu of all other intangible assessments on such obligations.

### SECTION 3. Taxes; exemptions.—

(a) All property owned by a municipality and used exclusively by it for municipal or public purposes shall be exempt from taxation. A municipality, owning property outside the municipality, may be required by general law to make payment to the taxing unit in which the property is located. Such portions of property as are used predominantly for educational, literary, scientific, religious or charitable purposes may be exempted by general law from taxation.

(b) There shall be exempt from taxation, cumulatively, to every head of a family residing in this state, household goods and personal effects to the value fixed by general law, not less than one thousand dollars, and to every widow or widower or person who is blind or totally and permanently disabled, property to the value fixed by general law not less than five hundred dollars.

(c) Any county or municipality may, for the purpose of its respective tax levy and subject to the provisions of this subsection and general law, grant community and economic development ad valorem tax exemptions to new businesses and expansions of existing businesses, as defined by general law. Such an exemption may be granted only by ordinance of the county or municipality, and only after the electors of the county or municipality voting on such question in a referendum authorize the county or municipality to adopt such ordinances. An exemption so granted shall apply to improvements to real property made by or for the use of a new business and improvements to real property related to the expansion of an existing business and shall also apply to tangible personal property of such new business and tangible personal property related to the expansion of an existing business. The amount or limits of the amount of such exemption shall be specified by general law. The period of time for which such exemption may be granted to a new business or expansion of an existing business shall be determined by general law. The authority to grant such exemption shall expire ten years from the date of approval by the electors of the county or municipality, and may be renewable by referendum as provided by general law.

<sup>1</sup>(d) By general law and subject to conditions specified therein, there may be granted an ad valorem tax exemption to a renewable energy source device and to real property on which such device is installed and operated, to the value fixed by general law not to exceed the original cost of the device, and for the period of time fixed by general law not to exceed ten years.

(e) Any county or municipality may, for the purpose of its respective tax levy and subject to the provisions of this subsection and general law, grant historic preservation ad valorem tax exemptions to owners of historic properties. This exemption may be granted only by ordinance of the county or municipality. The amount or limits of the amount of this exemption and the requirements for eligible properties must be specified by general law. The period of time for which this exemption may be granted to a property owner shall be determined by general law. **History.**--Am. S.J.R.'s 9-E, 15-E, 1980; adopted 1980; Am. C.S. for S.J.R.'s 318, 356, 1988; adopted 1988; Am. S.J.R. 152, 1992; adopted 1992; Am. H.J.R. 969, 1997; adopted 1998. <sup>1</sup>**Note.**--This subsection, originally designated (c) by S.J.R. 15-E, 1980, was redesignated (d) by the editors in order to avoid confusion with subsection (c) as contained in S.J.R. 9-E, 1980.

cf.--s. 19, Art. XII Schedule.

#### **SECTION 4. Taxation; assessments.—**

By general law regulations shall be prescribed which shall secure a just valuation of all property for ad valorem taxation, provided:

- (a) Agricultural land, land producing high water recharge to Florida's aquifers, or land used exclusively for noncommercial recreational purposes may be classified by general law and assessed solely on the basis of character or use.
- (b) Pursuant to general law tangible personal property held for sale as stock in trade and livestock may be valued for taxation at a specified percentage of its value, may be classified for tax purposes, or may be exempted from taxation.
- (c) All persons entitled to a homestead exemption under Section 6 of this Article shall have their homestead assessed at just value as of January 1 of the year following the effective date of this amendment. This assessment shall change only as provided herein.
  - (1) Assessments subject to this provision shall be changed annually on January 1st of each year; but those changes in assessments shall not exceed the lower of the following:
    - a. Three percent (3%) of the assessment for the prior year.
    - b. The percent change in the Consumer Price Index for all urban consumers, U.S. City Average, all items 1967=100, or successor reports for the preceding calendar year as initially reported by the United States Department of Labor, Bureau of Labor Statistics.
  - (2) No assessment shall exceed just value.
  - (3) After any change of ownership, as provided by general law, homestead property shall be assessed at just value as of January 1 of the following year. Thereafter, the homestead shall be assessed as provided herein.
  - (4) New homestead property shall be assessed at just value as of January 1st of the year following the establishment of the homestead. That assessment shall only change as provided herein.
  - (5) Changes, additions, reductions, or improvements to homestead property shall be assessed as provided for by general law; provided, however, after the adjustment for any change, addition, reduction, or improvement, the property shall be assessed as provided herein.
  - (6) In the event of a termination of homestead status, the property shall be assessed as provided by general law.
  - (7) The provisions of this amendment are severable. If any of the provisions of this amendment shall be held unconstitutional by any court of competent jurisdiction, the decision of such court shall not affect or impair any remaining provisions of this amendment.
- (d) The legislature may, by general law, for assessment purposes and subject to the provisions of this subsection, allow counties and municipalities to authorize by ordinance that historic property may be assessed solely on the basis of character or use. Such character or use assessment shall apply only to the jurisdiction adopting the ordinance. The requirements for eligible properties must be specified by general law.
- (e) A county may, in the manner prescribed by general law, provide for a reduction in the assessed value of homestead property to the extent of any increase in the assessed value of that property which results from the construction or reconstruction of the property for the purpose of providing living quarters for one or more natural or adoptive grandparents or parents of the owner of the property or of the owner's spouse if at least

one of the grandparents or parents for whom the living quarters are provided is 62 years of age or older. Such a reduction may not exceed the lesser of the following:

(1) The increase in assessed value resulting from construction or reconstruction of the property.

(2) Twenty percent of the total assessed value of the property as improved.

**History.**--Am. S.J.R. 12-E, 1980; adopted 1980; Am. H.J.R. 214, 1987; adopted 1988; Am. by Initiative Petition filed with the Secretary of State August 3, 1992; adopted 1992; Am. H.J.R. 969, 1997; adopted 1998; Am. proposed by Constitution Revision Commission, Revision No. 13, 1998, filed with the Secretary of State May 5, 1998; adopted 1998; Am. C.S. for H.J.R. 317, 2002; adopted 2002.

**SECTION 5. Estate, inheritance and income taxes.--**

(a) **NATURAL PERSONS.** No tax upon estates or inheritances or upon the income of natural persons who are residents or citizens of the state shall be levied by the state, or under its authority, in excess of the aggregate of amounts which may be allowed to be credited upon or deducted from any similar tax levied by the United States or any state.

(b) **OTHERS.** No tax upon the income of residents and citizens other than natural persons shall be levied by the state, or under its authority, in excess of 5% of net income, as defined by law, or at such greater rate as is authorized by a three-fifths ( $\frac{3}{5}$ ) vote of the membership of each house of the legislature or as will provide for the state the maximum amount which may be allowed to be credited against income taxes levied by the United States and other states. There shall be exempt from taxation not less than five thousand dollars (\$5,000) of the excess of net income subject to tax over the maximum amount allowed to be credited against income taxes levied by the United States and other states.

(c) **EFFECTIVE DATE.** This section shall become effective immediately upon approval by the electors of Florida.

**History.--**Am. H.J.R. 7-B, 1971; adopted 1971.

## **SECTION 6. Homestead exemptions.--**

(a) Every person who has the legal or equitable title to real estate and maintains thereon the permanent residence of the owner, or another legally or naturally dependent upon the owner, shall be exempt from taxation thereon, except assessments for special benefits, up to the assessed valuation of five thousand dollars, upon establishment of right thereto in the manner prescribed by law. The real estate may be held by legal or equitable title, by the entireties, jointly, in common, as a condominium, or indirectly by stock ownership or membership representing the owner's or member's proprietary interest in a corporation owning a fee or a leasehold initially in excess of ninety-eight years.

(b) Not more than one exemption shall be allowed any individual or family unit or with respect to any residential unit. No exemption shall exceed the value of the real estate assessable to the owner or, in case of ownership through stock or membership in a corporation, the value of the proportion which the interest in the corporation bears to the assessed value of the property.

(c) By general law and subject to conditions specified therein, the exemption shall be increased to a total of twenty-five thousand dollars of the assessed value of the real estate for each school district levy. By general law and subject to conditions specified therein, the exemption for all other levies may be increased up to an amount not exceeding ten thousand dollars of the assessed value of the real estate if the owner has attained age sixty-five or is totally and permanently disabled and if the owner is not entitled to the exemption provided in subsection (d).

(d) By general law and subject to conditions specified therein, the exemption shall be increased to a total of the following amounts of assessed value of real estate for each levy other than those of school districts: fifteen thousand dollars with respect to 1980 assessments; twenty thousand dollars with respect to 1981 assessments; twenty-five thousand dollars with respect to assessments for 1982 and each year thereafter. However, such increase shall not apply with respect to any assessment roll until such roll is first determined to be in compliance with the provisions of section 4 by a state agency designated by general law. This subsection shall stand repealed on the effective date of any amendment to section 4 which provides for the assessment of homestead property at a specified percentage of its just value.

(e) By general law and subject to conditions specified therein, the Legislature may provide to renters, who are permanent residents, ad valorem tax relief on all ad valorem tax levies. Such ad valorem tax relief shall be in the form and amount established by general law.

(f) The legislature may, by general law, allow counties or municipalities, for the purpose of their respective tax levies and subject to the provisions of general law, to grant an additional homestead tax exemption not exceeding twenty-five thousand dollars to any person who has the legal or equitable title to real estate and maintains thereon the permanent residence of the owner and who has attained age sixty-five and whose household income, as defined by general law, does not exceed twenty thousand dollars. The general law must allow counties and municipalities to grant this additional exemption, within the limits prescribed in this subsection, by ordinance adopted in the manner prescribed by general law, and must provide for the periodic adjustment of the income limitation prescribed in this subsection for changes in the cost of living.

**History.**--Am. S.J.R. 1-B, 1979; adopted 1980; Am. S.J.R. 4-E, 1980; adopted 1980; Am. H.J.R. 3151, 1998; adopted 1998; Am. proposed by Constitution Revision Commission, Revision No. 13, 1998, filed with the Secretary of State May 5, 1998; adopted 1998.

**SECTION 9. Local taxes.--**

(a) Counties, school districts, and municipalities shall, and special districts may, be authorized by law to levy ad valorem taxes and may be authorized by general law to levy other taxes, for their respective purposes, except ad valorem taxes on intangible personal property and taxes prohibited by this constitution.

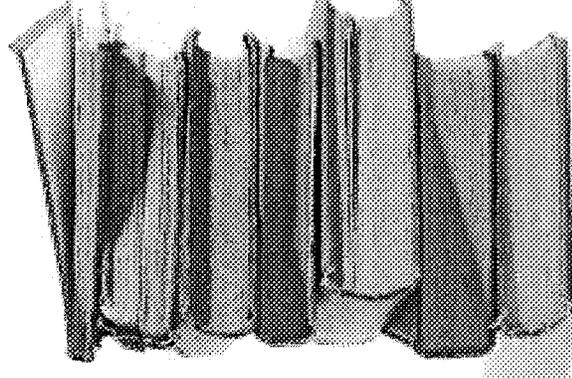
(b) Ad valorem taxes, exclusive of taxes levied for the payment of bonds and taxes levied for periods not longer than two years when authorized by vote of the electors who are the owners of freeholds therein not wholly exempt from taxation, shall not be levied in excess of the following millages upon the assessed value of real estate and tangible personal property: for all county purposes, ten mills; for all municipal purposes, ten mills; for all school purposes, ten mills; for water management purposes for the northwest portion of the state lying west of the line between ranges two and three east, 0.05 mill; for water management purposes for the remaining portions of the state, 1.0 mill; and for all other special districts a millage authorized by law approved by vote of the electors who are owners of freeholds therein not wholly exempt from taxation. A county furnishing municipal services may, to the extent authorized by law, levy additional taxes within the limits fixed for municipal purposes.

**History.--**Am. S.J.R. 1061, 1975; adopted 1976.

**Florida  
Statutes**

# Property Tax and Florida Statutes

February 23, 2006  
Kama Monroe  
Senior Attorney  
House Finance and Tax Committee



- **Chapter 192** – Taxation: General Provisions
- **Chapter 195** – Property Tax Administration and Finance
- **Chapter 193** – Assessments
- **Chapter 196** – Exemption
- **Chapter 200** – Determination of Millage
- **Chapter 194** – Administrative and Judicial Review of Property Taxes
- **Chapter 197** – Tax Collections, Sales, and Liens

# Chapter 192 – Taxation: General Provisions

192.001 – Definitions

192.0105 – Taxpayer Rights

192.011 – All Property to be Assessed

192.042 - Date of Assessment

192.105 – Unlawful Disclosure of Federal Tax Information; Penalty

# Chapter 195 – Property Assessment Administration and Finance

- 195.022 – Forms to be prescribed by Department of Revenue
- 195.027 – Rules and regulations
- 195.062 – Manual of instructions
- 195.073 - Classification of property
  
- 195.096 – Review of assessment rolls
- 195.097 – Postaudit notification of defects; supervision by the department

# Chapter 193 – Assessments

## **Part 1 – General Provisions**

- 193.011 – Factors to be considered in deriving just value
- 193.1142 – Approval of assessment rolls
- 193.1145 – Interim assessment rolls
- 193.155 – Homestead assessments

## **Part 2 - Special Classes of Property**

- 193.461 – Agricultural lands
- 193.621 – Pollution Control Devises
- 193.623 – Renovations providing access to physically handicapped
- 193.625 – High Water Recharge Lands
- 193.703 - Living Quarters for Parents or Grandparents

## Chapter 196 - Exemption

- 196.001 - Property subject to taxation
- 196.011 – Annual application required for exemption
- 196.015 – Permanent residency; factual determination by property appraiser
- 196.061 – Rental of Homestead to constitute abandonment

# Chapter 196 – Exemption

## Personal Exemptions

- Homestead – 196.031
- Additional homestead for low income seniors – 196.075
- Permanently and totally disabled veterans and surviving spouses – 196.081
- Disabled veterans confined to wheelchairs – 196.091
- Totally and permanently disabled persons – 196.101
- Household goods and effects – 196.181
- Widowed, blind, or totally and permanently disabled people – 196.202
- Disabled ex-service member or surviving spouse – 196.24

## Chapter 196 – Exemption Institutional Exemptions

- Licensed Child Care facilities in an enterprise zone – 196.095
- Charitable, religious, scientific, or literary property – 196.196
- Commercial or nonprofit historical property – 196.1961
- Hospitals, nursing homes, and homes for special services – 196.197
- Nonprofit homes for the aged – 196.1975
- Continuing care facilities – 196.1977

# Chapter 196 – Exemption

## Institutional Exemptions

- Economic development exemption – 196.1995
- Historic Properties – 196.1997 and 196.1998
- Space Laboratories and Carriers – 196.1999
- Nonprofit sewer and water companies – 196.2001 and 196.2002
- Affordable housing – 196.1978
- Educational Property – 196.198
- Charter Schools – 196.1983
- Labor organizations – 196.1985
- Community centers - 196.1986
- Governmental property – 196.199

# Chapter 200 – Determination of Millage

- 200.065 – Method of fixing millage
- 200.069 – Notice of proposed property taxes and non-ad valorem assessments

# Chapter 194 – Administrative and Judicial Review of Property Taxes

## **Part 1 – Administrative Review**

- 194.011 - Assessment notice; objections to assessments
- 194.015 - Value Adjustment Board
- 194.035 - Special Magistrates; property evaluators
- 194.037 - Disclosure of Tax Impact

## **Part 2 – Judicial Review**

- 194.171 – Circuit Court to have original jurisdiction in tax cases
- 194.181 – Parties to a tax suit
- 194.211 – Injunctions against tax sales

## **Part 3 – Presumption of Correctness**

# Chapter 197 – Tax Collections, Sales, and Liens

- 197.162 – Discounts; amount and time
- 197.212 – Minimum tax bill
- 197.252 - Homestead tax deferral
- 197.303 – Tax deferral for recreational and commercial working waterfronts
- 197.333 – When taxes due; delinquent
- 197.343 - Tax Notices; additional notice requirement

**Title XIV**  
**TAXATION AND FINANCE**

**Chapter 193**  
**ASSESSMENTS**

**193.155 Homestead assessments.**--Homestead property shall be assessed at just value as of January 1, 1994. Property receiving the homestead exemption after January 1, 1994, shall be assessed at just value as of January 1 of the year in which the property receives the exemption.

(1) Beginning in 1995, or the year following the year the property receives homestead exemption, whichever is later, the property shall be reassessed annually on January 1. Any change resulting from such reassessment shall not exceed the lower of the following:

- (a) Three percent of the assessed value of the property for the prior year; or
- (b) The percentage change in the Consumer Price Index for All Urban Consumers, U.S. City Average, all items 1967=100, or successor reports for the preceding calendar year as initially reported by the United States Department of Labor, Bureau of Labor Statistics.

(2) If the assessed value of the property as calculated under subsection (1) exceeds the just value, the assessed value of the property shall be lowered to the just value of the property.

(3) Except as provided in this subsection, property assessed under this section shall be assessed at just value as of January 1 of the year following a change of ownership.

Thereafter, the annual changes in the assessed value of the property are subject to the limitations in subsections (1) and (2). For the purpose of this section, a change in ownership means any sale, foreclosure, or transfer of legal title or beneficial title in equity to any person, except as provided in this subsection. There is no change of ownership if:

(a) Subsequent to the change or transfer, the same person is entitled to the homestead exemption as was previously entitled and:

- 1. The transfer of title is to correct an error; or
- 2. The transfer is between legal and equitable title;

(b) The transfer is between husband and wife, including a transfer to a surviving spouse or a transfer due to a dissolution of marriage;

(c) The transfer occurs by operation of law under s. 732.4015; or

(d) Upon the death of the owner, the transfer is between the owner and another who is a permanent resident and is legally or naturally dependent upon the owner.

(4)(a) Changes, additions, or improvements to homestead property shall be assessed at just value as of the first January 1 after the changes, additions, or improvements are substantially completed.

(b) Changes, additions, or improvements do not include replacement of a portion of real property damaged or destroyed by misfortune or calamity when the just value of the damaged or destroyed portion as replaced is not more than 125 percent of the just value of the damaged or destroyed portion. The value of any replaced real property, or portion thereof, which is in excess of 125 percent of the just value of the damaged or destroyed property shall be deemed to be a change, addition, or improvement. Replaced real property with a just value of less than 100 percent of the original property's just value shall be assessed pursuant to subsection (5).

(c) Changes, additions, or improvements include improvements made to common areas or

other improvements made to property other than to the homestead property by the owner or by an owner association, which improvements directly benefit the homestead property. Such changes, additions, or improvements shall be assessed at just value, and the just value shall be apportioned among the parcels benefiting from the improvement.

(5) When property is destroyed or removed and not replaced, the assessed value of the parcel shall be reduced by the assessed value attributable to the destroyed or removed property.

(6) Only property that receives a homestead exemption is subject to this section. No portion of property that is assessed solely on the basis of character or use pursuant to s. 193.461 or s. 193.501, or assessed pursuant to s. 193.505, is subject to this section. When property is assessed under s. 193.461, s. 193.501, or s. 193.505 and contains a residence under the same ownership, the portion of the property consisting of the residence and curtilage must be assessed separately, pursuant to s. 193.011, for the assessment to be subject to the limitation in this section.

(7) If a person received a homestead exemption limited to that person's proportionate interest in real property, the provisions of this section apply only to that interest.

(8) Erroneous assessments of homestead property assessed under this section may be corrected in the following manner:

(a) If errors are made in arriving at any assessment under this section due to a material mistake of fact concerning an essential characteristic of the property, the just value and assessed value must be recalculated for every such year, including the year in which the mistake occurred.

(b) If changes, additions, or improvements are not assessed at just value as of the first January 1 after they were substantially completed, the property appraiser shall determine the just value for such changes, additions, or improvements for the year they were substantially completed. Assessments for subsequent years shall be corrected, applying this section if applicable.

(c) If back taxes are due pursuant to s. 193.092, the corrections made pursuant to this subsection shall be used to calculate such back taxes.

(9) If the property appraiser determines that for any year or years within the prior 10 years a person who was not entitled to the homestead property assessment limitation granted under this section was granted the homestead property assessment limitation, the property appraiser making such determination shall record in the public records of the county a notice of tax lien against any property owned by that person in the county, and such property must be identified in the notice of tax lien. Such property that is situated in this state is subject to the unpaid taxes, plus a penalty of 50 percent of the unpaid taxes for each year and 15 percent interest per annum. However, when a person entitled to exemption pursuant to s. 196.031 inadvertently receives the limitation pursuant to this section following a change of ownership, the assessment of such property must be corrected as provided in paragraph (8)(a), and the person need not pay the unpaid taxes, penalties, or interest.

**History.**--s. 62, ch. 94-353; s. 5, ch. 2001-137.

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**Title XIV**  
TAXATION AND FINANCE

**Chapter 193**  
ASSESSMENTS

**193.1551 Assessment of certain homestead property damaged in 2004 named storms.--** Notwithstanding the provisions of s. 193.155(4), the assessment at just value for changes, additions, or improvements to homestead property rendered uninhabitable in one or more of the named storms of 2004 shall be limited to the square footage exceeding 110 percent of the homestead property's total square footage. Additionally, homes having square footage of 1,350 square feet or less which were rendered uninhabitable may rebuild up to 1,500 total square feet and the increase in square footage shall not be considered as a change, an addition, or an improvement that is subject to assessment at just value. The provisions of this section are limited to homestead properties in which repairs are completed by January 1, 2008, and apply retroactively to January 1, 2005.

**History.--**s. 1, ch. 2005-268.



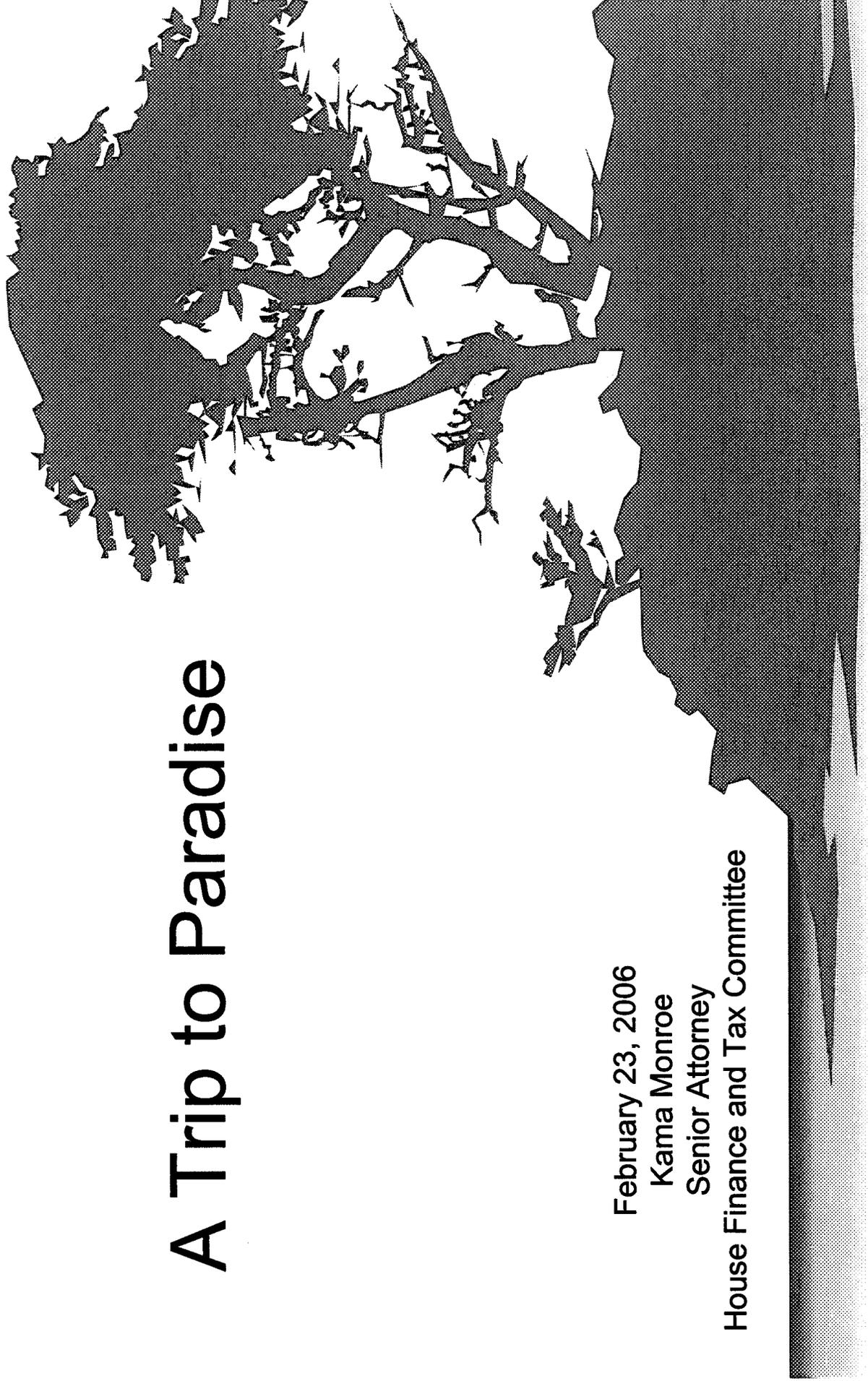
# A Trip to Paradise

February 23, 2006

Kama Monroe

Senior Attorney

House Finance and Tax Committee



# Paradise, Florida - Starting Assumptions

- 3 identical houses valued at \$50,000 in 1994
- None of the houses are homesteaded
- City budget is \$1,000 and does not grow
- Property appreciates by 10% each year

	House 1	House 2	House 3	Total Tax
1994				
Just Value	50,000	50,000	50,000	
Taxable Value	50,000	50,000	50,000	
Tax Bill	\$333	\$333	\$333	\$1,000
Millage Rate	6.67	6.67	6.67	
2000				
Just Value	88,578	88,578	88,578	
Taxable Value	88,578	88,578	88,578	
Tax Bill	\$333	\$333	\$333	\$1,000
Millage Rate	3.76	3.76	3.76	
2006				
Just Value	156,921	156,921	156,921	
Taxable Value	156,921	156,921	156,921	
Tax Bill	\$333	\$333	\$333	\$1,000
Millage Rate	2.12	2.12	2.12	

# Variation 1 – Homestead Property

- Houses 1 and 2 are Homestead Property
- House 3 is used as a General Store or as Rental Property

	House 1	House 2	House 3	Total Tax
<b>1994</b>				
Just Value	50,000	50,000	50,000	
Taxable Value	25,000	25,000	50,000	
Tax Bill	\$250	\$250	\$500	\$1,000
Millage Rate	10.00	10.00	10.00	
<b>2000</b>				
Just Value	88,578	88,578	88,578	
Taxable Value	32,529	32,529	88,578	
Tax Bill	\$212	\$212	\$577	\$1,000
Millage Rate	6.51	6.51	6.51	
<b>2006</b>				
Just Value	156,921	156,921	156,921	
Taxable Value	41,645	41,645	156,921	
Tax Bill	\$173	\$173	\$653	\$1,000
Millage Rate	4.16	4.16	4.16	

## Variation 2 – a Homeowner Moves

- In 2003 the homeowner from house 2 buys house 3 and moves in.
- In 2004 house 2 is sold to a new resident who homesteads that property

	House 1	House 2	House 3	Total Tax
<b>2003</b>				
Just Value	117,897	117,897	117,897	
Taxable Value	36,648	36,648	117,897	
Tax Bill	\$192	\$192	\$617	\$1,000
Millage Rate	5.23	5.23	5.23	
<b>2004</b>				
Just Value	129,687	129,687	129,687	
Taxable Value	37,819	129,687	104,687	
Tax Bill	\$139	\$476	\$385	\$1,000
Millage Rate	3.67	3.67	3.67	
<b>2005</b>				
Just Value	142,656	142,656	142,656	
Taxable Value	39,704	117,656	108,578	
Tax Bill	\$149	\$442	\$408	\$1,000
Millage Rate	3.76	3.76	3.76	
<b>2006</b>				
Just Value	156,921	156,921	156,921	
Taxable Value	41,645	121,936	112,585	
Tax Bill	\$151	\$442	\$408	\$1,000
Millage Rate	3.62	3.62	3.62	



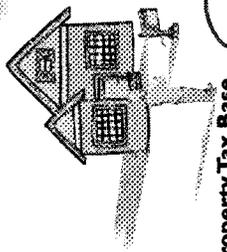
# The Local Government Property Tax Process

The property tax in Florida is constitutionally a local tax, administered, levied, and collected by local officials. Statutorily, the Department of Revenue has been assigned the role of determining that local officials are complying with the law, resolving any compliance issues that may arise, and aiding and assisting local governments in their duties.

While Department resources are primarily focused on oversight of property valuation functions of property appraisers, the Department has roles and responsibilities in almost all aspects of the local property tax revenue process. These include the public notice and advertising of assessments and rates, billing, the assessment and exemption appeals process, property tax billing, and collection.

Property Type	2005 Taxable Value (billions)	2005 Parcel Count (millions)
Single Family	\$802.8	6.22
Multi-family	\$71.3	0.19
Agricultural	\$12.1	0.23
Vacant lots	\$68.7	1.69
Non-agricultural	\$9.5	0.13
Commercial/Industrial	\$232.9	0.35
Institutional/Government	\$2.6	0.27
Other Real Property	\$18.5	0.20
Tangible Personal Property	\$97.2	1.26
<b>Total</b>	<b>\$1,315.6</b>	<b>10.52</b>

Levying Authority	2005 Taxes Levied (billions)
Schools	\$10.4
Counties	\$8.7
Cities	\$3.5
Others	\$3.3
<b>Total</b>	<b>\$25.9</b>



## 1 Property Tax Base

**Property Appraisers**  
The county property appraiser is a locally elected official responsible by law for determining just, or market, value of all property and establishing exemption eligibility. The resulting taxable value is the basis for levying property taxes by all local governments.

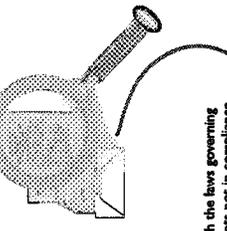
**Department of Revenue**  
The Department of Revenue oversees the operation of local property appraisers, determining compliance with applicable laws through a roll review process and by assuring property appraiser offices are adequately funded. The Department acts to resolve compliance problems through various enforcement tools, including the ability to disapprove a tax roll. The Department also provides aid and assistance to property appraisers to enhance compliance.



## 2 Property Tax Millage Levies Elected Officials

Revenue to be raised from property tax is determined by locally elected governing boards as part of their budget setting process. Based on property tax revenue required for operating expenses, millage rates are established.

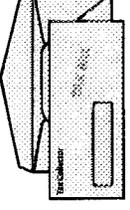
**Department of Revenue**  
The Department plays no role in setting property tax millages other than to ensure that governments do not exceed constitutional millage caps.



## 3 Property Tax Public Notification/Advertising TRIM Notice

TRIM statutes provide for the "rolled-back rate," the millage levy by each local government determined to represent no tax increase. Individual "TRIM" notices are sent to all property owners stating taxes due under each government's proposed levy and that government's rolled-back rate. Local governments must also publicly advertise the meeting at which the final millage rate and budget will be adopted and any tax increase, if applicable.

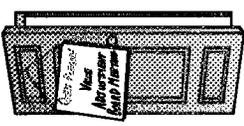
**Department of Revenue**  
The Department of Revenue determines compliance with the laws governing public disclosure of property tax levies. Local governments not in compliance can be required to re-advertise and hold new public hearings. The Department provides training and assistance throughout the year to local governments on proper procedures to enhance compliance and provides many of the forms required for this process.



## 5 Billing of Property Taxes Tax Collectors

Tax bills are prepared by the tax collector and normally mailed around the first of November, with payment due by the following March 30. Early payment discounts are available. Property taxes constitute a first lien on the property assessed.

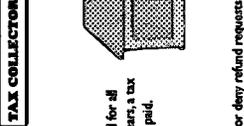
**Department of Revenue**  
The Department of Revenue provides the format for the property tax bill for all counties.



## 4 Property Tax Appeals Process Value Adjustment Boards

Taxpayers who object to their assessment or their exemption status may appeal to the Value Adjustment Board (VAB). This Board consists of three elected members of the county and two elected members of the school board. Either the property appraiser or the taxpayer may appeal the VAB's decision in circuit court.

**Department of Revenue**  
The Department is required to prescribe uniform procedures governing certain aspects of VAB hearings, as well as provide forms.

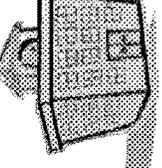


TAX COLLECTOR

## 7 Property Tax Collections Tax Collectors

Payment is made to the tax collector. Tax certificates are sold for all property on which tax payments are delinquent. After two years, a tax deed may be sold for property on which taxes have not been paid. The tax collector, in conjunction with the property appraiser, processes all requests for refunds of taxes.

**Department of Revenue**  
The Department of Revenue is granted authority to approve or deny refund requests of \$400 or more. The Department must also approve all requests for correction or cancellation of tax certificates. The Department provides many forms used in the tax collection process and provides training, as well as assistance to tax collectors and their offices.



## 8 Funding of Local Government Services Local Governments

Property taxes are distributed by the tax collector to all local governments levying the tax. In 2005, 67 counties, 67 school boards, 462 municipalities, 231 independent special districts and 5 water management districts levied property taxes. A total of \$23.9 billion was levied, making property tax the largest governmental revenue source in Florida.

# Property Tax Administration Program

## PTA

Florida taxpayers paid over \$30 billion in property tax in 2014, making property tax the largest single source of public revenue within the State of Florida. Property tax is a mainstay for local governments, financing vital public services such as public schools, police forces, fire departments, etc. Fairness, uniformity, and accuracy are critical to appropriate enforcement of this tax.

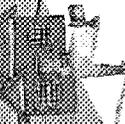
To ensure that property is assessed in accordance with law, DOR uses a blend of appointment, computer-assisted analysis, and expert on-site appraisal of property to review tax rolls. By reviewing computerized sales data on more than 700,000 property purchases statewide, DOR analysts can determine how the market values property.

Because sales are not evenly spread throughout all property, DOR now supplements the analyses of sales data by sending DOR experts to conduct on-site appraisals of sample properties. DOR then compares its estimates of market value of sample properties with the property appraiser's assessments for the same properties. DOR staff confers at least three times with property appraisers to ensure that the tax roll review proceeds as required. State law requires DOR to perform this in-depth study on each county's tax roll at least once every two years.

With the enhancement of the state's property tax roll review process, Floridians can have greater confidence than ever before that the burden of property taxes has been fairly, accurately, and uniformly distributed.

### 1 Valuation Systems

DOR studies previous years tax roll to identify the number of properties required for an adequate tax sample. Property appraiser studies changes in land rates of property value in county, determines appropriate rates, adjusts property values for property characteristics, and reviews market-sets estimates in value.

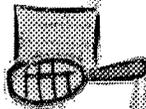


### 3 Initial Assessed Value

Using a blend of sales data and on-site appraisals, DOR develops estimates of market value for sample properties in each county. Meanwhile, property appraiser determines initial assessed values for all properties in the county.

### 2 Data Collection and Analysis

DOR experts conduct on-site appraisals of random sample of selected properties. Other DOR staff review data on over 700,000 sales to analyze property value trends. Meanwhile, property appraiser updates records using data from on-site inspections, building permits, sales, and market indicators.



### July 1

Property appraiser submits property assessment roll to DOR.



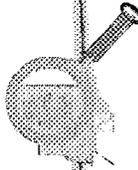
### 7 Finalize Assessment Roll

DOR shares its findings with property appraiser, explaining results of evaluation. If property appraiser chooses, he or she may revise and resubmit assessment roll.



### 8 DOR Action

DOR Executive Director approves assessment rolls that comply with state law. If assessment roll is disapproved, county uses previous year's assessment roll until proposed roll meets standards. DOR may require property appraiser to correct certain problems in next year's assessment roll through administrative order. The Florida Department of Education uses the prior year DOR study data to fine-tune required school property tax rates to improve uniformity and fairness.

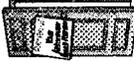


### 9 TRIM Process

The Truth in Millage (TRIM) law requires that taxing authorities advise public hearings about tax rates to give taxpayers a chance to have input. Before local governments adopt budgets and property tax rates, taxpayers receive a TRIM notice informing them about potential taxes based on the prior year's tax rate or any proposed change.

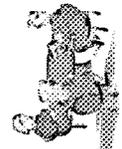
### 10 Value Adjustment Board (VAB)

A property owner may appeal the assessed value (included on TRIM notice) of his or her property to the VAB composed of 2 school board members and 3 county commissioners. The VAB may change the assessed value upon successful administrative appeal.



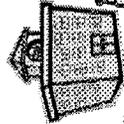
### 6 DOR Evaluation of Property Appraiser's Roll

DOR compares values of properties in its sample to property appraiser's assessments for the same properties. DOR uses this comparison to evaluate assessment roll for accuracy, fairness, uniformity, and compliance.



### 5 Finalize Values

DOR field staff and property appraiser's staff meet to identify and share sample values.



Once all taxing authorities in the county have adopted budgets and millage rates, the county tax collector sends a property tax bill to all property owners with discounts for early payment through February of the following year. County uses tax dollars to support schools and other services.



### 4 Comparison of Sample Values

DOR field staff shares information with property appraisers and staffers in each county. Property appraiser reviews accuracy of assessment roll data based on available information, including DOR comments.



For more information:  
 Department of Revenue  
[myflorida.com/dor](http://myflorida.com/dor)  
 850-488-3338

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**Taxes Levied and Millage Rates 1974 - 2004  
Florida Taxing Jurisdictions by Type**

	All Jurisdictions			
	Taxes Levied	% Increase	Actual Millage	Rollled Back Rate
1974	1,489,062,250	11.5%	18.32	17.77
1975	1,747,814,709	17.4%	19.39	17.67
1976	1,920,110,925	9.9%	19.50	18.49
1977	2,156,794,922	12.3%	20.01	18.36
1978	2,291,733,049	6.3%	19.48	19.09
1979	2,349,081,616	2.5%	18.42	18.65
1980	2,958,628,401	25.9%	19.99	16.63
1981	3,582,734,590	21.1%	18.54	16.18
1982	3,694,615,402	3.1%	16.30	16.56
1983	4,217,028,491	14.1%	17.32	15.79
1984	4,579,282,455	8.6%	17.21	16.44
1985	5,111,132,535	11.6%	17.27	16.09
1986	5,846,398,555	14.4%	18.11	16.54
1987	6,631,899,157	13.4%	18.82	17.31
1988	7,367,536,253	11.1%	19.45	18.24
1989	8,500,379,961	15.4%	20.50	18.46
1990	9,500,332,611	11.8%	21.15	19.59
1991	9,982,353,757	5.1%	20.90	20.50
1992	10,199,375,366	2.2%	21.13	21.15
1993	10,631,243,125	4.2%	21.65	21.17
1994	11,244,028,512	5.8%	21.85	21.18
1995	11,691,349,616	4.0%	21.78	21.44
1996	12,294,465,465	5.2%	21.91	21.40
1997	12,885,218,441	4.8%	21.66	21.22
1998	13,631,308,237	5.8%	21.56	20.94
1999	14,293,756,120	4.9%	21.10	20.72
2000	15,293,717,243	7.0%	20.96	20.19
2001	16,681,826,393	9.1%	20.72	19.60
2002	18,209,516,216	9.2%	20.57	19.49
2003	20,297,761,858	11.5%	20.60	19.08
2004	22,415,176,965	10.4%	20.18	18.87
2005	25,898,906,811	15.5%	19.61	17.53

	Non-Public School Levies			
	Taxes Levied	% Increase	Actual Millage	Rollled Back Rate
1974	848,142,604	16.6%	10.44	9.68
1975	984,902,975	16.1%	10.93	10.06
1976	1,092,277,175	10.9%	11.09	10.42
1977	1,254,769,643	14.9%	11.64	10.44
1978	1,329,757,811	6.0%	11.30	11.11
1979	1,455,555,954	9.5%	11.41	10.82
1980	1,821,337,439	25.1%	12.31	10.31
1981	2,164,874,128	18.9%	11.20	9.96
1982	2,202,505,968	1.7%	9.72	10.01
1983	2,518,383,280	14.3%	10.34	9.41
1984	2,679,498,096	6.4%	10.07	9.82
1985	2,951,652,033	10.2%	9.97	9.41
1986	3,399,677,025	15.2%	10.53	9.55
1987	3,921,874,686	15.4%	11.13	10.06
1988	4,360,034,090	11.2%	11.51	10.78
1989	4,901,332,213	12.4%	11.82	10.92
1990	5,429,491,137	10.8%	12.09	11.30
1991	5,578,192,190	2.7%	11.68	11.72
1992	5,696,184,538	2.1%	11.80	11.82
1993	5,985,718,735	5.1%	12.19	11.82
1994	6,212,511,985	3.8%	12.07	11.92
1995	6,452,091,621	3.9%	12.02	11.85
1996	6,742,333,350	4.5%	12.01	11.81
1997	7,186,880,086	6.6%	12.08	11.64
1998	7,596,072,287	5.7%	12.02	11.68
1999	8,178,473,705	7.7%	12.08	11.55
2000	8,787,541,759	7.4%	12.04	11.55
2001	9,607,555,121	9.3%	11.94	11.26
2002	10,559,408,223	9.9%	11.93	11.22
2003	11,879,716,334	12.5%	12.06	11.06
2004	13,291,890,534	11.9%	11.97	11.04
2005	15,505,808,058	16.7%	11.74	10.40

	Public School Levies			
	Taxes Levied	% Increase	Actual Millage	Rollled Back Rate
1974	640,919,646	5.4%	7.89	8.09
1975	762,911,734	19.0%	8.47	7.60
1976	827,833,750	8.5%	8.41	8.07
1977	902,025,279	9.0%	8.37	7.91
1978	961,975,238	6.6%	8.18	7.98
1979	895,525,662	-7.1%	7.00	7.83
1980	1,136,690,962	27.2%	7.68	6.33
1981	1,417,860,462	24.7%	7.34	6.22
1982	1,492,109,434	5.2%	6.58	6.55
1983	1,698,645,211	13.8%	6.98	6.38
1984	1,899,784,359	11.8%	7.14	6.62
1985	2,159,480,502	13.7%	7.29	6.68
1986	2,446,721,530	13.3%	7.58	6.99
1987	2,710,024,471	10.8%	7.69	7.24
1988	3,007,502,163	11.0%	7.94	7.45
1989	3,599,047,748	19.7%	8.68	7.53
1990	4,070,841,474	13.1%	9.06	8.30
1991	4,404,161,567	8.2%	9.22	8.79
1992	4,503,190,828	2.2%	9.33	9.33
1993	4,645,524,390	3.2%	9.46	9.35
1994	5,031,516,527	8.3%	9.78	9.25
1995	5,239,257,995	4.1%	9.76	9.60
1996	5,552,132,115	6.0%	9.89	9.59
1997	5,698,338,355	2.6%	9.58	9.58
1998	6,035,235,950	5.9%	9.55	9.26
1999	6,115,282,415	1.3%	9.03	9.18
2000	6,506,175,484	6.4%	8.92	8.64
2001	7,074,271,272	8.7%	8.79	8.34
2002	7,650,107,993	8.1%	8.64	8.26
2003	8,418,045,524	10.0%	8.54	8.02
2004	9,123,286,431	8.4%	8.21	7.83
2005	10,393,098,754	13.9%	7.87	7.14

A 1979 - Legislature reduced school required local effort to provide tax relief and to rebalance state and local funding shares.

B 1980 - TRIM legislation enacted. Homestead exemption for school taxes raised from \$5,000 to \$25,000. Homestead exemption for non-school taxes raised from \$5,000 to \$15,000.

C 1980 - Legislature imposed 8% cap on city, county and special district property tax increases. May be overridden by majority plus one vote of governing body.

D 1981 - Homestead exemption for non-school taxes raised from \$15,000 to \$20,000.

E 1982 - Legislature imposed cap on city and county millages due to increased sales tax revenue sharing. Cap, generally, equal to the rolled back rate minus dollars equal to expected revenue from sales tax.

F 1982 and thereafter - Homestead exemption for non-school taxes raised from \$20,000 to \$25,000

G 1995 - Save Our Homes citizens constitutional amendment adopted in 1992 first impacts the tax roll.

H 1999 - Legislature adopts .42 mill reduction in the school required local effort to provide tax relief.

Notes: Tax levy, millage and rolled-back rate information includes both operating and debt service levies.

2005 taxes levied in Broward County are not yet available. The growth rate in Broward County taxes levied from 2004 to 2005 is assumed to be the same as in the rest of the state.

**Florida Tax Roll and Economic Data  
1974 - 2005**

	Just Value	% Increase	Taxable Value	% Increase	SOH Differential	% Increase	New Construction	% of Prior Year Tax Roll	Florida Pers. Inc. Growth	Florida Population Growth	Index Taxable Value	Index Personal Income
1974	117,373,309,224	31.4%	81,262,609,759	34.0%			6,117,577,542	10.1%	15.1%	5.1%	100	100
1975	129,175,089,981	10.1%	90,123,837,311	10.9%			5,834,179,570	7.2%	8.8%	2.0%	110.9	108.8
1976	139,628,876,146	8.1%	98,472,436,732	9.3%			3,932,714,089	4.4%	10.0%	1.5%	121.2	119.6
1977	152,891,389,230	9.5%	107,774,941,095	9.4%			3,172,723,091	3.2%	9.6%	2.0%	132.6	131.2
1978	167,404,317,177	9.5%	117,654,233,056	9.2%			4,667,908,570	4.3%	15.7%	2.7%	144.8	151.8
1979	180,113,828,916	7.6%	127,558,180,383	8.4%			4,667,908,570	4.0%	15.7%	3.2%	157.0	175.6 A
1980	235,905,759,468	31.0%	148,001,921,409	16.0%			6,765,763,559	5.3%	17.7%	3.2%	182.1	206.7 B,C
1981	292,669,861,280	24.1%	193,294,996,578	30.6%			10,480,663,145	7.1%	16.8%	4.0%	237.9	241.3 D
1982	322,803,728,683	10.3%	226,613,433,780	17.2%			10,262,486,319	5.3%	9.9%	2.9%	278.9	265.1 E,F
1983	355,897,653,821	10.3%	243,513,977,991	7.5%			9,493,124,341	4.2%	10.9%	2.4%	299.7	293.9
1984	384,542,727,946	8.0%	266,127,205,941	9.3%			9,648,046,456	4.0%	10.2%	2.8%	327.5	324.0
1985	423,199,439,322	10.1%	296,038,391,464	11.2%			11,432,198,250	4.3%	12.1%	3.1%	364.3	363.2
1986	458,163,772,132	8.3%	322,911,815,982	9.1%			13,924,489,001	4.7%	8.1%	2.9%	397.4	392.8
1987	496,517,969,166	8.4%	352,410,756,034	9.1%			14,583,671,502	4.5%	7.1%	3.0%	433.7	420.6
1988	530,330,145,901	6.8%	378,768,380,719	7.5%			15,080,513,797	4.3%	9.4%	2.7%	466.1	460.2
1989	575,980,050,062	8.6%	414,688,695,508	9.5%			15,546,509,393	4.1%	12.6%	2.6%	510.3	518.4
1990	623,569,373,132	8.3%	449,090,832,444	8.3%			15,235,864,347	3.7%	7.2%	2.3%	552.6	555.9
1991	660,291,251,556	5.9%	477,511,871,050	6.3%			14,146,946,610	3.2%	4.8%	2.5%	587.6	582.3
1992	673,228,728,524	2.0%	482,745,108,505	1.1%			10,692,877,087	2.2%	4.1%	1.8%	594.1	606.0
1993	686,851,896,304	2.0%	491,022,949,013	1.7%			9,312,677,806	1.9%	5.5%	1.7%	604.2	639.5
1994	722,634,483,239	5.2%	514,713,474,993	4.8%			12,652,116,352	2.6%	4.2%	2.3%	633.4	666.6
1995	753,188,993,928	4.2%	536,901,404,394	4.3%	3,518,941,346		12,551,060,965	2.4%	8.6%	2.1%	660.7	724.2 G
1996	782,771,154,582	3.9%	561,194,845,397	4.5%	5,938,987,246	68.8%	14,829,294,342	2.8%	5.9%	2.0%	690.6	766.6
1997	825,891,731,960	5.5%	594,775,651,293	6.0%	9,057,852,107	52.5%	15,354,253,253	2.7%	6.2%	2.2%	731.9	814.0
1998	875,694,113,035	6.0%	632,107,700,323	6.3%	14,139,660,250	56.1%	16,663,271,827	2.8%	7.6%	2.0%	777.9	875.6
1999	935,967,821,940	6.9%	677,292,728,059	7.1%	20,756,954,091	46.8%	19,567,571,817	3.1%	6.1%	2.3%	833.5	928.6 H
2000	1,001,262,266,191	7.0%	729,705,531,194	7.7%	27,815,434,639	34.0%	21,805,832,409	3.2%	7.5%	2.6%	898.0	998.7
2001	1,107,670,867,949	10.6%	804,925,929,656	10.3%	47,678,672,028	71.4%	24,775,729,939	3.4%	5.7%	2.2%	990.5	1055.4
2002	1,232,782,158,331	11.3%	885,107,267,260	10.0%	80,364,008,731	68.6%	29,103,847,030	3.6%	2.8%	2.1%	1089.2	1085.2
2003	1,385,342,412,465	12.4%	985,299,937,144	11.3%	117,890,830,993	46.7%	30,956,717,540	3.5%	3.2%	2.4%	1212.5	1119.6
2004	1,577,207,641,539	13.8%	1,110,743,583,523	12.7%	165,145,937,559	40.1%	35,087,911,144	3.6%	5.1%	2.6%	1366.9	1176.9
2005	1,903,397,883,100	20.7%	1,320,648,982,712	18.9%	246,498,708,013	49.3%	42,197,009,249	3.8%	6.6%	2.0%	1625.2	1254.6

A 1979 - Legislature reduced school required local effort to provide tax relief and to rebalance state and local funding shares.

B 1980 - TRIM legislation enacted. Homestead exemption for school taxes raised from \$5,000 to \$25,000. Homestead exemption for non-school taxes raised from \$5,000 to \$15,000.

C 1980 - Legislature imposed 8% cap on city, county and special district property tax increases. May be overridden by majority plus one vote of governing body.

D 1981 - Homestead exemption for non-school taxes raised from \$15,000 to \$20,000.

E 1982 - Legislature imposed cap on city and county millages due to increased sales tax revenue sharing. Cap, generally, equal to the rolled back rate minus dollars equal to expected revenue from sales tax.

F 1982 and thereafter - Homestead exemption for non-school taxes raised from \$20,000 to \$25,000

G 1995 - Save Our Homes constitutional amendment adopted in 1992 first impacts the tax roll.

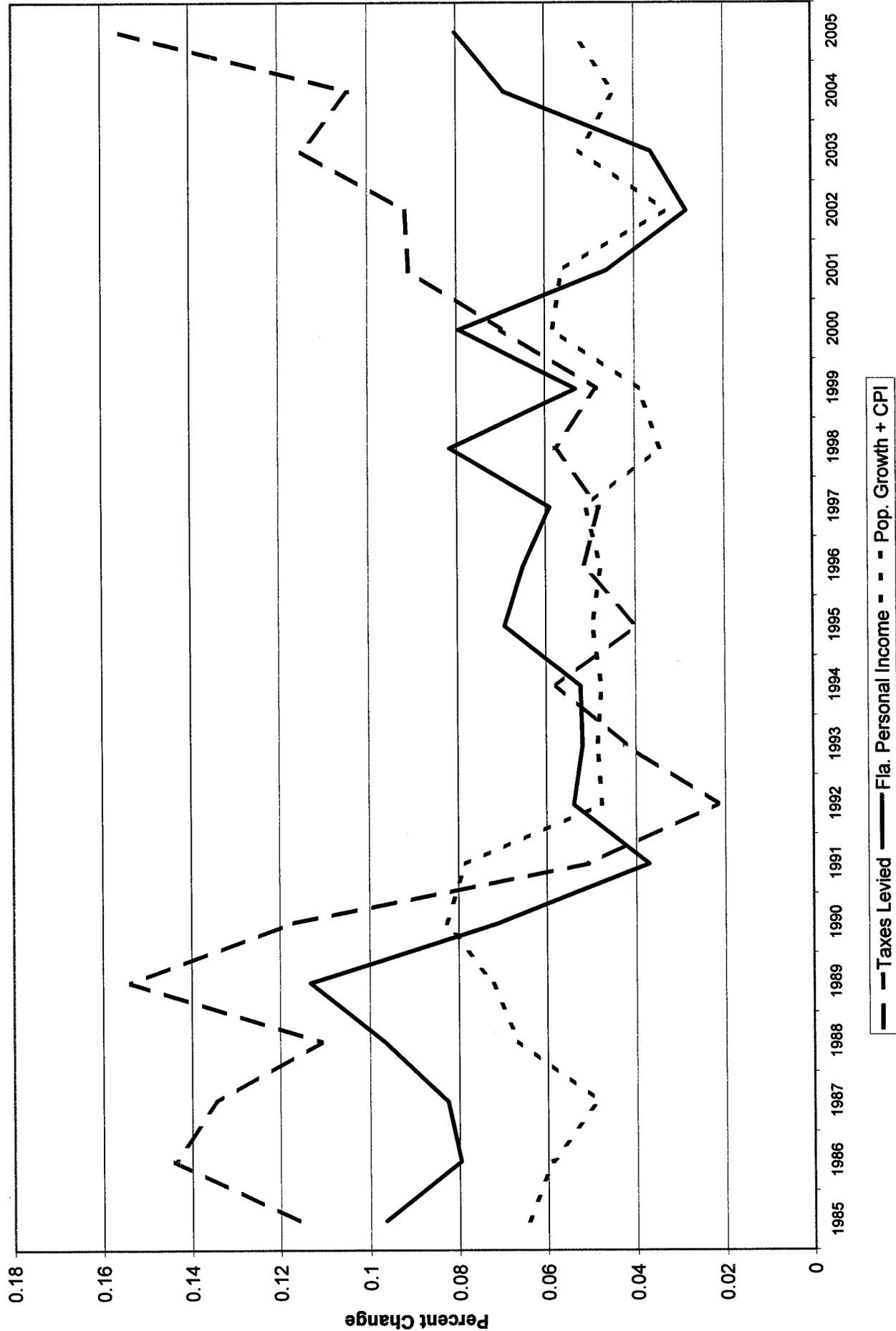
H 1999 - Legislature adopts .42 mill reduction in the school required local effort to provide tax relief.

**Florida Just and Taxable Value - Residential and Non-Residential Property  
1974 - 2005**

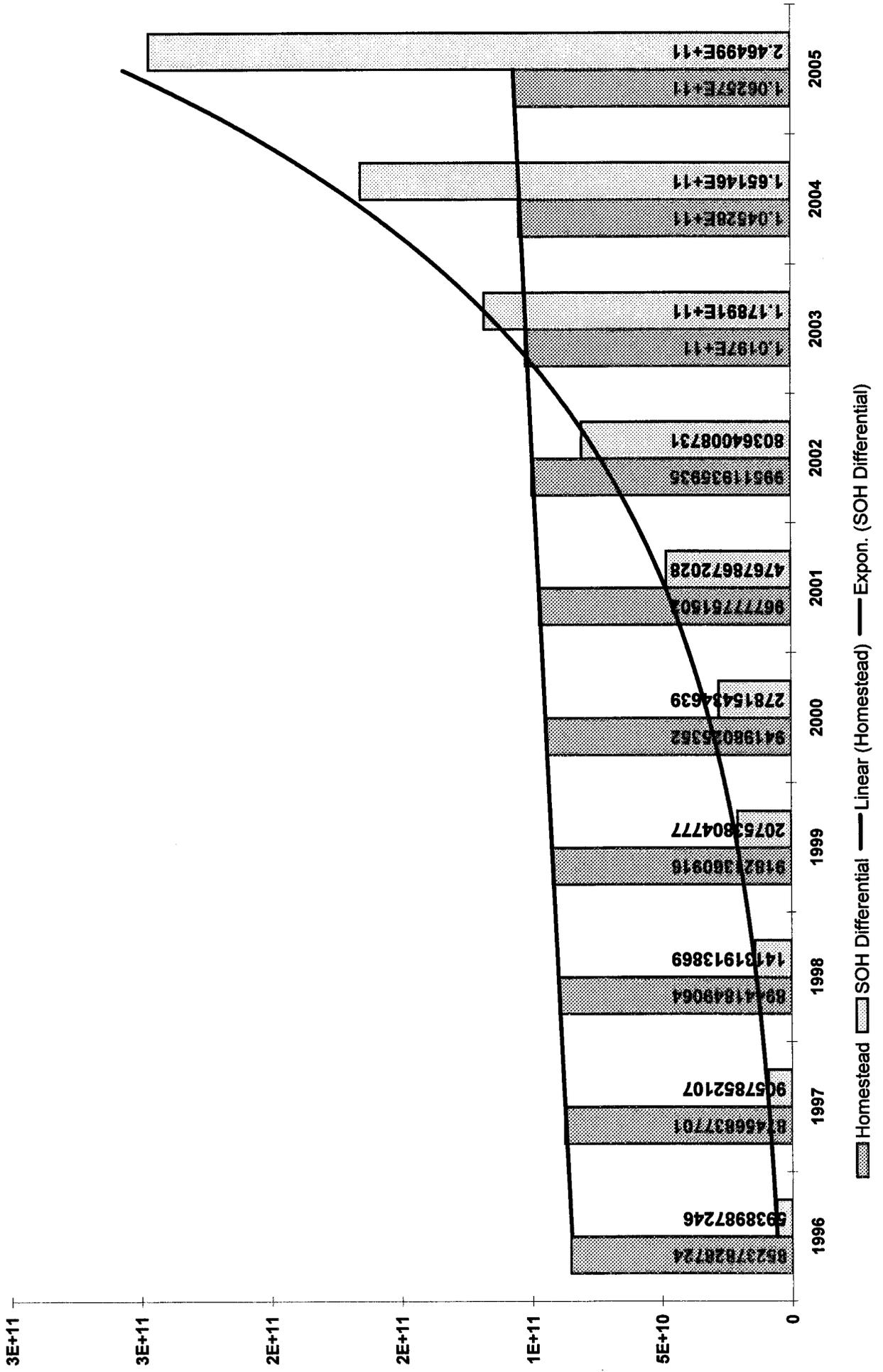
	Just Value						Taxable Value									
	All Property			Non-Residential			Residential			All Residential			Residential			
	Just Value	% of Total	Just Value	% of Total	Just Value	% of Total	Just Value	% of Total	Just Value	% of Total	Taxable Value	% of Total	Taxable Value	% of Total	Taxable Value	% of Total
1974	117,373,309,224	57%	66,435,954,456	57%	50,937,354,768	43%	na	na	na	81,262,609,759	49%	39,476,646,561	49%	41,785,963,198	51%	na
1975	129,175,089,981	55%	70,909,630,367	55%	58,265,459,614	45%	na	na	na	90,123,837,311	47%	42,111,076,408	47%	48,012,760,903	53%	na
1976	139,628,876,146	53%	74,035,311,686	53%	65,593,564,460	47%	na	na	na	98,472,436,732	45%	44,232,878,124	45%	54,239,558,608	55%	na
1977	152,891,389,230	53%	81,356,765,933	53%	71,534,623,297	47%	na	na	na	107,774,941,095	45%	48,158,080,119	45%	59,616,860,976	55%	na
1978	167,404,317,177	53%	88,637,121,562	53%	78,767,195,615	47%	na	na	na	117,654,233,056	44%	51,534,986,878	44%	66,119,246,178	56%	na
1979	180,113,828,016	52%	94,423,663,318	52%	85,690,164,698	48%	na	na	na	127,558,180,383	43%	55,131,418,725	43%	72,426,761,658	57%	na
1980	235,905,759,468	49%	115,179,271,393	49%	120,726,488,075	51%	na	na	na	148,001,921,409	36%	52,955,969,479	36%	95,045,951,930	64%	na
1981	292,669,861,280	46%	134,210,141,228	46%	158,459,720,052	54%	na	na	na	193,294,996,578	37%	71,999,561,342	37%	121,295,435,236	63%	na
1982	322,803,728,683	42%	136,800,515,417	42%	186,003,213,266	58%	na	na	na	226,613,433,780	39%	87,313,351,556	39%	139,300,082,224	61%	na
1983	355,897,653,821	44%	156,135,718,912	44%	199,761,934,909	56%	na	na	na	243,513,977,991	41%	98,703,895,704	41%	144,810,082,287	59%	na
1984	384,542,727,946	44%	170,014,375,275	44%	214,528,352,671	56%	na	na	na	266,127,205,941	41%	108,909,621,566	41%	157,217,584,375	59%	na
1985	423,199,439,322	43%	183,833,004,442	43%	239,366,434,880	57%	na	na	na	296,038,391,464	40%	118,797,086,786	40%	177,241,304,678	60%	na
1986	458,163,772,132	45%	207,452,719,772	45%	250,711,052,360	55%	na	na	na	322,911,815,982	42%	134,158,485,873	42%	188,753,330,109	58%	na
1987	496,517,969,166	46%	227,426,363,985	46%	269,091,605,181	54%	154,571,809,846	31%	31%	352,410,756,034	42%	147,890,997,609	42%	204,519,758,425	58%	89,656,390,960
1988	530,330,145,901	46%	242,775,205,498	46%	287,554,940,403	54%	174,484,739,843	33%	33%	378,768,380,719	42%	158,635,499,044	42%	220,132,881,675	58%	106,591,775,041
1989	575,980,050,062	46%	262,611,054,850	46%	313,368,995,212	54%	183,265,244,497	32%	32%	414,688,695,508	41%	171,592,247,716	41%	243,096,447,792	59%	112,556,467,149
1990	623,569,373,132	45%	282,606,353,929	45%	340,963,019,203	55%	200,326,933,258	32%	32%	449,090,832,444	40%	181,174,337,156	40%	267,916,495,288	60%	126,861,488,776
1991	660,291,251,556	45%	296,982,308,900	45%	363,308,942,656	55%	215,696,015,555	33%	33%	477,511,871,050	40%	189,944,907,046	40%	287,566,964,004	60%	139,629,828,084
1992	673,228,728,524	45%	302,691,689,947	45%	370,537,038,577	55%	222,836,564,678	33%	33%	482,745,108,505	39%	190,075,265,679	39%	292,669,842,826	61%	144,555,592,655
1993	686,851,896,304	45%	306,662,980,765	45%	380,188,915,539	55%	231,444,781,753	34%	34%	491,022,949,013	39%	190,261,575,378	39%	300,761,373,635	61%	151,428,240,550
1994	722,634,483,239	43%	309,681,360,101	43%	412,953,123,138	57%	246,638,767,527	34%	34%	514,713,474,993	38%	194,879,224,647	38%	319,834,250,346	62%	164,171,813,717
1995	753,188,993,928	44%	328,975,589,231	44%	424,213,404,697	56%	265,739,388,980	35%	35%	536,901,404,394	37%	200,653,003,687	37%	336,248,400,707	63%	177,145,931,076
1996	782,771,154,582	43%	337,049,093,847	43%	445,722,060,735	57%	282,260,710,158	36%	36%	561,194,845,397	37%	207,505,242,712	37%	353,689,602,685	63%	188,770,475,469
1997	825,891,731,960	42%	350,781,957,039	42%	475,109,774,921	58%	302,174,744,253	37%	37%	594,775,651,293	37%	217,889,098,042	37%	376,886,553,251	63%	203,137,388,890
1998	875,694,113,035	42%	368,767,077,556	42%	506,927,035,479	58%	322,142,967,091	37%	37%	632,107,700,323	37%	230,728,867,510	37%	401,378,832,813	63%	216,329,163,373
1999	935,967,821,940	42%	389,288,330,271	42%	546,679,491,669	58%	342,494,582,016	37%	37%	677,292,728,059	36%	245,466,546,947	36%	431,826,181,112	64%	228,715,921,969
2000	1,001,262,266,191	40%	405,111,855,502	40%	596,150,410,689	60%	378,604,141,742	38%	38%	729,705,531,194	35%	258,956,888,061	35%	470,748,643,133	65%	252,499,038,797
2001	1,107,670,867,949	39%	432,271,746,993	39%	675,399,120,956	61%	427,172,536,832	39%	39%	804,925,929,656	35%	277,923,462,318	35%	527,002,467,338	65%	278,863,992,932
2002	1,232,782,158,331	37%	455,357,271,921	37%	777,424,886,410	63%	494,305,313,246	40%	40%	885,107,267,260	33%	292,564,485,392	33%	592,542,781,868	67%	310,106,310,304
2003	1,385,342,412,465	35%	482,474,720,068	35%	902,867,692,397	65%	577,788,102,127	42%	42%	985,299,937,144	31%	308,399,860,083	31%	676,900,077,061	69%	352,755,728,067
2004	1,577,207,641,539	33%	520,292,130,106	33%	1,056,915,511,433	67%	675,375,762,466	43%	43%	1,110,743,583,523	30%	331,298,209,069	30%	779,445,374,454	70%	399,723,544,333
2005	1,903,397,883,100	31%	594,994,406,448	31%	1,308,403,476,652	69%	820,696,573,118	43%	43%	1,320,648,982,712	28%	374,426,155,103	28%	946,222,827,609	72%	460,756,290,779

Notes: Data on the value of homestead property unavailable before 1987.  
Vacant residential land included in residential value.

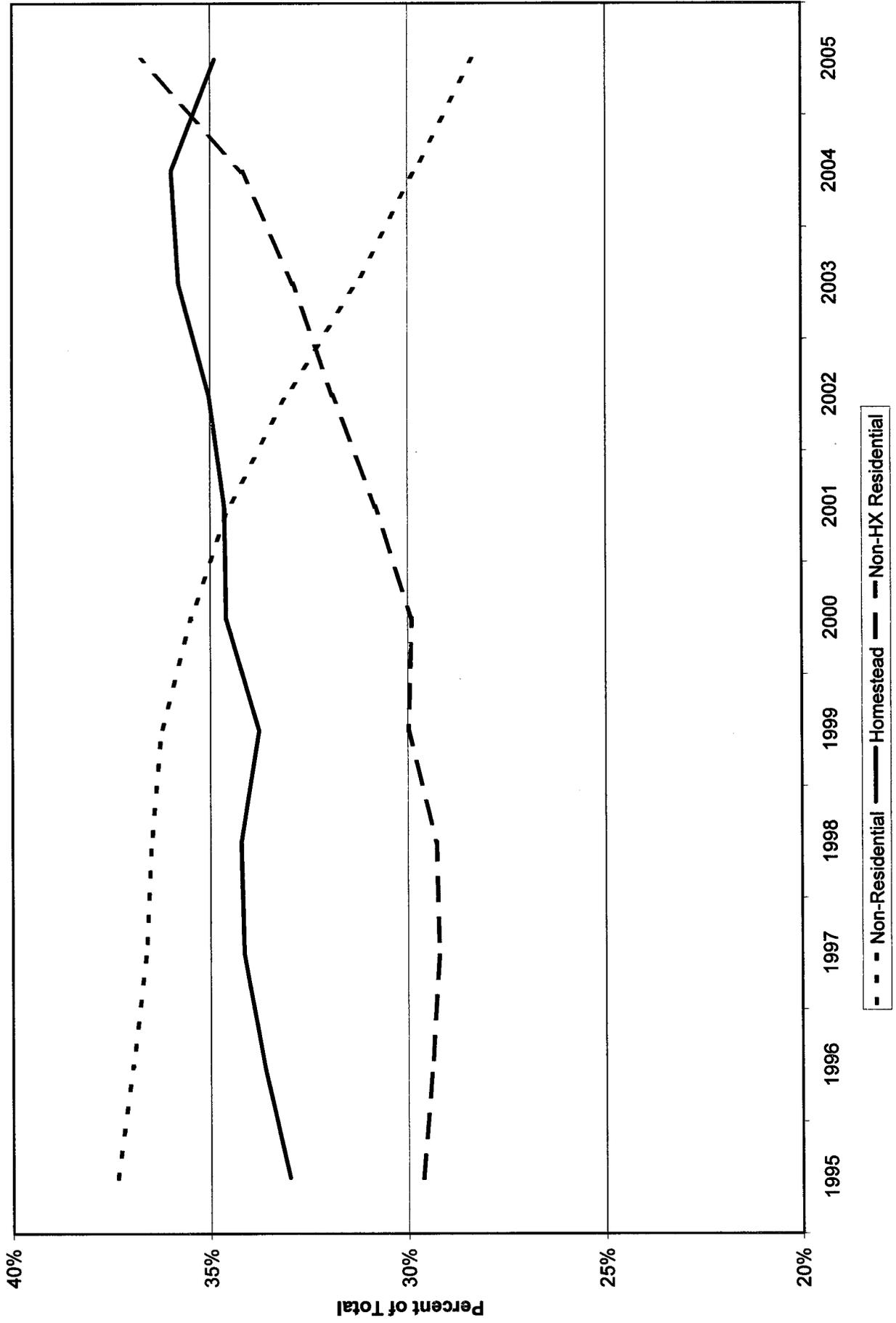
**Percentage Change: Taxes Levied, Personal Income and Population + CPI  
1985 - 2005**



# Homestead Exemption & Save Our Homes Differential



Florida Taxable Value: Non-Residential, Homestead and Non-Homestead Residential 1995 - 2005





## AD VALOREM TAXES

Florida Statutes: Chapters 192, 193, 194, 195, 196, 197, and 200

Constitution: Article VII, Section 9

Administered by: Units of Local Government and Florida Department of Revenue

### Ad Valorem Taxes Levied\* (Millions of Dollars)

Fiscal Year	Total Taxes Levied	% Change	Counties	% Change	School Districts	% Change	Municipalities	% Change	Special Districts**	% Change
2005-06#	25,802.6	14.8	9,754.3	13.0	10,358.7	13.5	3,500.6	22.4	2,188.9	17.5
2004-05	22,474.2	10.4	8,628.9	12.9	9,123.3	8.4	2,858.9	14.5	\$1,863.2	3.7
2003-04	20,356.4	11.9	7,644.1	10.4	8,418.0	10.7	2,497.6	14.3	1,796.7	26.0
2002-03	18,186.3	8.7	6,926.0	8.9	7,605.1	8.1	2,184.6	6.8	1,425.6	14.3
2001-02	16,724.6	9.4	6,358.8	9.2	7,074.3	8.7	2,044.9	9.4	1,246.7	13.8
2000-01	15,293.7	7.0	5,823.2	7.5	6,506.2	6.3	1,868.7	7.3	1,095.6	7.1
1999-00	14,293.8	4.1	5,415.2	7.0	6,115.5	1.3	1,740.8	9.2	1,022.5	-1.9
1998-99	13,731.3	6.6	5,059.2	5.9	6,035.2	5.9	1,594.3	7.8	1,042.6	14.0
1997-98	12,885.2	4.8	4,795.0	6.5	5,698.3	2.6	1,477.6	6.4	914.3	7.4
1996-97	12,294.5	5.2	4,502.0	4.1	5,552.1	6.0	1,389.1	7.9	851.2	1.3
1995-96	11,691.3	4.0	4,324.8	2.9	5,239.3	4.3	1,287.3	4.7	840.0	7.1
1994-95	11,238.9	5.7	4,202.0	4.6	5,023.4	8.1	1,229.0	3.6	784.4	0.4
1993-94	10,631.2	4.2	4,018.3	1.1	4,645.5	3.2	1,186.5	3.4	780.9	35.9
1992-93	10,199.4	2.2	3,974.7	5.5	4,503.2	2.2	1,147.0	2.0	574.5	-16.2
1991-92	9,982.4	5.1	3,767.7	3.6	4,404.2	8.2	1,124.6	-3.0	685.9	8.2
1990-91	9,500.3	11.8	3,636.6	12.4	4,070.8	13.1	1,158.8	7.9	634.2	7.4
1989-90	8,500.4	15.4	3,236.8	9.4	3,599.0	19.7	1,074.2	13.5	590.3	8.6
1988-89	7,367.5	11.1	2,959.6	11.0	3,007.5	11.0	946.7	10.3	543.8	37.2
1987-88	6,631.9	13.4	2,667.2	15.6	2,710.1	10.8	858.3	11.6	396.3	22.4
1986-87	5,846.4	14.4	2,306.5	15.3	2,446.7	13.3	769.2	13.4	323.9	18.8
1985-86	5,111.1	11.6	2,000.9	12.7	2,159.5	13.7	678.1	9.9	272.6	-4.9
1984-85	4,579.3	8.6	1,775.7	6.6	1,899.8	11.8	617.2	9.7	286.6	-1.0
1983-84	4,217.0	14.1	1,666.2	15.8	1,698.6	13.8	562.6	8.8	289.6	17.2
1982-83	3,694.6	3.1	1,438.3	1.8	1,492.1	5.2	517.1	-3.2	247.1	13.7

\* Includes operating and debt service taxes.

## AD VALOREM TAXES

(Continued)

\*\* Includes independent special districts only; dependent special district and MSTU levies are included with supervisory unit levy.

# Preliminary

### SUMMARY

The local ad valorem tax is an annual tax levied by local governments based on the value of real and tangible personal property as of January 1 of each year. Florida's Constitution prohibits the state government from levying an ad valorem tax except on intangible personal property. The taxable value of real and tangible personal property is the fair, market value of the property adjusted for any exclusions, differentials or exemptions allowed by the constitution or the statutes. The constitution is highly restrictive with regard to legislatively enacted adjustments to just value. With certain exceptions for millage levies approved by the voters, the constitution limits county, municipal and school district levies to 10 mills each. Tax bills are mailed in November of each year based on the previous January 1st valuation and payment is due by the following March 31.

### DISPOSITION

To Local Government

### BASE

Taxable base is the fair market value of locally assessed real estate, tangible personal property (excluding intangible personal property which is separately assessed and taxed by the state), and state assessed railroad property, less certain exclusions, differentials, exemptions, and credits.

Exclusions are specific types of property constitutionally or statutorily removed from ad valorem taxation. Major categories include (1) transportation vehicles such as automobiles, boats, airplanes, and trailer coaches, which are constitutionally excluded from ad valorem taxes but "shall be subject to a license tax" (Article VII, Section 1(b), of the Florida Constitution); and (2) personal property brought into the state for transshipment, which statutorily is not considered to have acquired taxable situs and therefore is not part of the tax base.

Differentials are reductions in assessments which result from a valuation standard other than fair market value. Such standards are either (1) value in current use only (e.g., agricultural value), (2) value at a specified percentage of fair market value (e.g., the constitution allows inventory and livestock to be assessed on a percentage basis, although the legislature has exercised its option to totally exempt such property), or (3) value which results from a limitation on annual increases (e.g., increases in assessments of homestead property are limited to the lesser of 3% or the consumer price index up to the fair market value).

Exemptions are deductions from assessed value which are typically specified as a dollar amount (e.g., homestead exemption of \$25,000). However, certain exemptions are equal to the total assessed value of the property (e.g., property used exclusively for charitable purposes), or are equal to a portion of the total assessment, based on the ratio of exempt use to total use provided that the exempt use must exceed 50% (e.g., property used predominantly for charitable purposes).

Credits which may take the form of allowances, discounts, rebates, etc., are deductions from the tax liability of a particular taxpayer. Credits currently allowed in Florida are early payment and installment discounts of not more than 4%.

Deferrals do not reduce the overall tax liability of a taxpayer, but do allow for changes in the timing of payment. Under certain circumstances a taxpayer may defer a portion of the taxes due on homestead property for the remaining lifetime

**AD VALOREM TAXES**  
(Continued)

of the property owner and his/her spouse or until sale of the property.

The following table shows the growth of just and taxable value, and the value of new construction. Dollar amounts are in billions.

Assessment Date	Just Value	% Increase	Taxable Value **	% Increase	Net New Construction	% of Revenue From New Const @
1/1/06*	2,157.5	21.0	1,567.3	18.9	56.7	3.8
1/1/05#	1,769.5	20.6	1,317.7	18.2	47.6	3.7
1/1/04	1,454.5	14.3	1,115.2	12.7	38.6	3.6
1/1/03	1,262.8	13.5	989.5	11.4	34.0	3.6
1/1/02	1,112.9	3.1	888.3	10.3	28.7	3.3
1/1/01	1,079.4	7.7	805.1	10.1	24.9	3.9
1/1/00	1,002.3	7.3	731.2	8.0	21.5	3.0
1/1/99	934.4	6.9	677.1	7.2	19.5	3.0
1/1/98	874.4	6.1	630.0	6.2	16.4	2.7
1/1/97	824.0	5.5	592.9	6.0	15.4	2.6
1/1/96	781.3	3.9	559.5	4.5	13.5	2.5
1/1/95	752.0	4.1	535.6	4.0	11.9	2.3
1/1/94	722.4	5.2	514.9	4.9	12.7	2.5
1/1/93	686.9	2.4	491.0	2.3	9.4	2.0
1/1/92	670.5	1.9	480.0	1.0	12.1	2.6
1/1/91	658.1	5.5	475.1	5.8	14.1	3.1
1/1/90	623.6	8.3	449.1	8.7	14.1	3.3
1/1/89	576.0	8.6	413.3	9.3	14.3	3.6
1/1/88	530.3	6.8	378.1	7.3	13.7	3.8
1/1/87	496.5	8.4	352.4	9.1	13.5	4.0
1/1/86	458.2	8.3	322.9	9.0	11.0	3.5
1/1/85	423.2	10.1	296.0	11.2	12.5	4.4
1/1/84	384.5	8.1	266.1	9.3	9.6	3.7
1/1/83	355.9	10.3	243.5	7.5	10.2	4.4

\* Estimates

\*\* In 1981 school taxable value diverged from county taxable value due to differences in the value of the homestead exemption. School taxable value was \$193.3 billion in 1981. Beginning in 1984, county taxable value is slightly less than school taxable value, due to the economic development tax exemption for new and expanded businesses. The exemption does not apply for school purposes. Figures shown are school taxable value beginning in 1984.

# Preliminary

**AD VALOREM TAXES**  
(Continued)

@ Computed as New Construction divided by (Taxable Value - New Construction). This represents the aggregate growth in county wide revenue allowed by the rolled-back rate, as provided in s. 200.065(1), F.S., without the need to advertise a tax increase.

**RATE**

Millage rates vary among local governments, but are subject to both constitutional and statutory limitations. All counties, cities, and school districts are subject to a constitutional limitation of ten mills for operating purposes. In addition, school districts are subject to certain statutory caps less than ten mills to be eligible to participate in the state K-12 funding program (FEFP). Dependent special district millage rates are included in the cap applicable to the authority to which they are dependent. Independent special district millage rates are limited by law establishing such districts. Local voters, by referendum, may authorize additional mills to be levied above the ten mill limitation for debt service without a time restriction, and for other purposes for a period of not longer than two years. Counties providing municipal services may also levy up to an additional ten mills above the ten mill county limitation within those areas receiving municipal-type services. Finally, for fiscal years 1982-83 through 1984-85 county and municipal millage rates, including dependent districts, were subject to certain statutory limitations restricting the rate of growth in revenues. (See s. 200.085, F.S. (1985)).

Average Millage Rates\* (1 mill = .1 cent or \$.001; also expressed as \$1 per \$1,000 or .1%)

Fiscal Year	Total Counties	School Boards	Municipalities	Total Millage Levied*
2005-06	7.39	7.84	5.72	19.54
2004-05	7.74	8.18	4.01	20.09
2003-04	7.67	8.38	4.38	20.24
2002-03	7.75	8.66	4.09	20.46
2001-02	8.14	8.73	4.64	20.75
2000-01	7.99	9.01	4.99	20.92
1999-00	7.61	9.48	5.12	21.11
1998-99	8.05	9.64	5.26	21.80
1997-98	8.06	9.58	5.18	21.73
1996-97	8.05	9.92	5.00	21.97
1995-96	8.07	9.78	5.06	21.83
1994-95	8.16	9.76	5.03	21.83
1993-94	8.18	9.46	5.04	21.65
1992-93	8.28	9.38	4.97	21.25
1991-92	7.93	9.27	4.92	21.01
1990-91	8.10	9.06	4.87	21.15
1989-90	7.83	8.71	4.87	20.57

**AD VALOREM TAXES**  
(Continued)

Fiscal Year	Total Counties	School Boards	Municipalities	Total Millage Levied*
1988-89	7.83	7.95	4.71	19.49
1986-87	7.14	7.58	4.85	18.11
1985-86	6.76	7.30	4.63	17.27

\* Includes both operating and debt service levies. Rates shown are weighted averages based on the sum of ad valorem taxes for each type of local government relative to their respective statewide taxable base. The school taxable base is utilized for both counties and school districts to allow comparability of rates. The Total Millage column includes special district levies not shown separately and is calculated to equal the millage rate which would raise the total taxes levied by all taxing authorities if applied against the statewide tax roll.

**VALUE OF RATE CHANGE, EXEMPTIONS, DIFFERENTIALS, DISCOUNTS AND ALLOWANCES**

RATE CHANGE

Value of 1 mill levy on 2005-06 tax base (est.) \$1,567 million

VALUE OF EXEMPTIONS, DIFFERENTIALS, ETC.

2006-07 Estimated <u>Taxable Value Loss</u>	2006-07 Estimated <u>Tax Loss#</u>
(Millions of Dollars)	

Administration

Assessment of real property at less than fair market value (includes 15.0% for application of 1st and 8th criteria and 2.7% for general underassessment)	\$247,013.7	\$4,826.3
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Assessment of tangible personal property at less than fair market value (assumes 15% for general under-assessment)	17,628.9	344.4
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Exclusions

Transportation vehicles	Indeterminate	Indeterminate
Property held for transshipment	Indeterminate	Indeterminate

Differentials

Homestead assessment limitation (Save Our Homes) (s. 193.155)	344,202.8	6,725.2
Agricultural land (s. 193.461(6)(a))	56,486.1	1,103.6
Private park and recreational land (s. 193.501)	38.3	0.7
Environmentally endangered land (s. 193.501)	Indeterminate	Indeterminate
Historically significant (s. 193.505)	Insignificant	Insignificant

(Continued)

VALUE OF EXEMPTIONS, DIFFERENTIALS, ETC.

2006-07 Estimated      2006-07 Estimated  
Taxable Value Loss      Tax Loss#  
(Millions of Dollars)

Differentials continued

Pollution control devices (s. 193.621(1))	\$ 2,260.7	\$ 44.2
Building renovations for the physically handicapped (s. 193.623)	Indeterminate	Indeterminate
Annual agricultural crops*, non-bearing fruit trees and nursery stock (not assessed) (s. 193.451(3))	Indeterminate	Indeterminate

Exemptions

\$25,000 Homestead Exemption (s. 196.031(3)(d))	108,969.8	2,212.9
Permanently and totally disabled veterans (s. 196.081)	3,432.9	67.1
Disabled veterans confined to wheelchairs (s. 196.091)	39.9	0.8
Totally and permanently disabled persons (s. 196.101) (Note 1)	584.4	11.4
Renewable energy source (s. 196.175)	Insignificant	Insignificant
Blind (s. 196.202)	2.5	Insignificant
\$500 Totally and permanently disabled persons (s. 196.202)(Note 1)	33.6	0.6
Widows' and Widowers exemption (s. 196.202)	217.4	4.2
Property used by hospitals, nursing homes and homes for special services (s. 196.197)	6,483.8	126.7
Property used by nonprofit homes for the aged (s. 196.1975)	1,556.4	30.4
Educational property (s. 196.198)	7,035.6	137.5
Labor organizations (s. 196.1985)(Note 2)	89.8	1.8
Community centers (s. 196.1986)	1,911.6	37.3
Institutional exempt property (Note 3)	43,452.8	849.0
Totally exempt & immune	343,254.1	6,706.6
Government Property (s. 196.199) (Note 4)		
Federal property	24,386.8	476.5
State property	22,370.7	437.1
Local government property	72,531.1	1,417.1
Government leaseholds	3,210.1	62.7
Local Option Economic Development (s. 196.1995)(Note 5) (Note 6)	814.0	6.0
Not-for-profit sewer and water company (s. 196.2001)	1,404.1	27.4
\$5,000 Disabled, Ex-Servicemen Exemption (s. 196.24)	446.6	8.7
Historic property (s. 196.1997)(Note 5)	Indeterminate	Indeterminate
Local Option Additional Homestead for 65 and older (s. 196.075) (Note 7)	4,093.7	28.5
Living Quarters for Parents or Grandparents (s. 193.703)	486.9	9.5

VALUE OF DISCOUNTS AND ALLOWANCES

Discounts for early payments ..... \$940.5 million

# Tax loss estimates are based on an aggregate average millage rate of 19.54.

**AD VALOREM TAXES**  
(Continued)

- \* Includes timber. Current administrative practice has resulted in the non-assessment of timber in virtually all counties, although timber is not an "annual agricultural crop," per the statutory requirement for exemption.

Notes

1. Available to: quadriplegics and the following, if total household income does not exceed an annually adjusted income limit: (a) paraplegics; (b) hemiplegics; (c) other totally and permanently disabled persons confined to a wheelchair; and (d) other totally and permanently disabled persons who are blind. An inconsistency in the statutes has resulted in the administrative determination that blind persons who are not totally and permanently disabled may also receive the total exemption if they meet the income test.
2. The portions of labor union property used for educational purposes may be separately assessed, thus avoiding the predominant use requirement.
3. Applies to property used exclusively or predominantly (greater than 50%) for the following purposes: (a) charitable, (b) literary, (c) religious, (d) scientific, and (e) educational. Exemption is total if use for said purposes is exclusive. For predominant use, exemption is proportional to use for said purposes. Special statutory criteria exist for determining the eligibility of hospitals, nursing homes, homes for special services, homes for the aged, educational institutions, community centers, and labor union property.
4. All U.S. Government property is exempt. Pursuant to Florida Statutes, state and local government property is exempt if used for governmental or public purposes. Government owned property used by non-governmental lessees is exempt only when the lessee serves or performs a governmental or public purpose or function. The leasehold estate (i.e., the right or interest in the property created by virtue of the lease contract) is by law subject only to intangibles taxation. In the past as a matter of practice, government-owned property used by a non-governmental lessee for private purposes was not assessed. Currently, counties are assessing such property owned by municipalities, and the issue has been joined in litigation.
5. Eligibility for exemption is determined separately for county taxes and municipal taxes. In no event does the exemption apply to school or independent district taxes.
6. Computed using average county millage rate only.
7. Total value loss is for both counties and municipalities. Tax loss is calculated by assuming that 75% of the exempt value is for counties and 25% for municipalities and applying the county and municipal average millage to the respective exempt amounts.

## AD VALOREM TAXES (Continued)

### History of Property Taxation in Florida

Property taxation in Florida dates from 1839, when a territorial enactment provided a tax “(o)n every acre of first-rate land, half a cent; on every acre of second-rate land, one quarter cent; on every acre of third-rate land, one-eighth of a cent” and various levies on other real and personal property. In the early days of statehood the most significant ad valorem tax was imposed not by local governments but by the state. The ad valorem tax was imposed primarily on agricultural land and slaves.<sup>1</sup>

The Constitution of 1885 said that the legislature shall provide for a uniform and equal rate of taxation, and shall prescribe such regulations as shall secure a just valuation of all property, both real and personal, excepting such property as may be exempted by law for municipal, educational, literary, scientific, religious, or charitable purposes. It also provided an exemption to every widow with dependents and every person who has lost a limb or been disabled in war or by misfortune.

#### Amendments to the Constitution of 1885

- Intangible personal property may be taxed at a different rate from real and personal property, at a maximum rate of 5 mills. (1924) Before this amendment, there had been no distinction between intangible and other property for tax purposes. This provision was enacted into law by ch. 15789, L.O.F., in 1931, at a rate of 2 mills on most types of intangible property.
- Motor vehicles are not subject to ad valorem tax as personal property, and are subject only to a license tax for the operation of such vehicles. (1929)
- \$5,000 homestead exemption. (1934)
- No levy of ad valorem taxes on real or personal property for any state purpose. (1940)

In 1967 the Legislature passed a law providing for assessment of required pollution control facilities at salvage value. (Chapter 67-436, L.O.F.)

The current Florida Constitution, as adopted in 1968, included these property tax provisions:

- No state ad valorem taxes on real or personal property
- No ad valorem taxes on motor vehicles, boats, airplanes, trailers, trailer coaches, or mobile homes, as defined by law
- All ad valorem taxation shall be at a uniform rate within each taxing district
- Property owned by a municipality and used exclusively by it for municipal or public purposes is exempt
- Property used predominantly for educational, literary, scientific, religious or charitable purposes may be exempted by general law
- \$1,000 minimum exemption for household goods , to be fixed by general law
- \$500 exemption for widows, blind or totally and permanently disabled persons
- By law regulations shall be prescribed which shall secure a just valuation of all property for ad valorem taxation
- Agricultural land or land used for non-commercial recreational purposes may be classified by general law and assessed on the basis of character or use
- Tangible personal property held as stock in trade or livestock may be valued at a specified percentage of its value, by general law
- \$5,000 homestead exemption, which may, by general law, be increased to \$10,000 if the property owner is at least 65 or is permanently and totally disabled

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<sup>1</sup> In 1865, the Legislature imposed, as part of the general county tax, a levy of \$2 on every dog over six months old, without regard to sex. The tax collector was directed to kill any dog for which the tax was not paid, but an exemption to the tax was provided for the City of Apalachicola. (Ch. 1502, L.O.F.)

## AD VALOREM TAXES (Continued)

- Counties, school districts, and municipalities shall, and special districts may, be authorized by law to levy ad valorem taxes
- Millage rates are limited to 10 mills for all county purposes, 10 mills for municipal purposes, and 10 mills for all school purposes
- A county furnishing municipal services may, to the extent authorized by law, levy additional taxes within the municipal millage

The Constitution of 1968 adopted most of the ad valorem tax provisions of the Constitution of 1885 as amended, which it superceded. It did change the treatment of municipal property. Prior to 1968, Art IX, sec. 1 of the Constitution provided that "(t)he Legislature shall provide for a uniform and equal rate of taxation;... and shall prescribe such regulations as shall secure a just valuation of all property, both real and personal, excepting such property as may be exempted by general law for municipal, education, literary, scientific, religious or charitable purposes." Art. VII, sec. 3 of the 1968 Constitution provides "(a)ll property owned by a municipality and used exclusively by it for municipal or public purposes shall be exempt from taxation." The Constitution of 1968 does not authorize the Legislature to exempt municipal property from taxation unless it is used exclusively by the municipality for municipal or public purposes. This provision has led to extensive litigation when the Legislature has attempted to provide ad valorem tax exemptions for property leased by municipalities to private users.

### Significant Constitutional and Statutory Changes to Ad Valorem Property Taxation Since 1968

In 1975, Art. VII, sec. 9 of the Florida Constitution was amended to authorize ad valorem millage for Water Management Districts. The Northwest Florida Water Management District is limited to 0.05 mill; the other districts are limited to 1.0 mill. Actual millage allowed is determined annually by the Legislature.

In 1976, the Legislature provided property tax exemptions for non-profit homes for the aged. (Chapter 76-234, L.O.F.) Residential units occupied by permanent residents with incomes below certain limits were considered to be used for a charitable purpose. Units that did not qualify as charitable purpose, but were occupied by permanent residents, were provided an exemption equivalent to the homestead exemption on residential units.

Several amendments to Art. VII of the Florida Constitution were adopted in 1980.

- The homestead exemption was increased to \$25,000, but the exemption increase was tied to improvement in the assessment of homestead property. (The increase for city and county purposes was phased in over a three year period.)
- Counties and cities were given authority to enact ad valorem exemptions for new and expanding businesses, if approved by a referendum. The exemptions were limited to the millage of the county or city enacting the exemption, and authority to grant the exemptions expired 10 years after the referendum unless renewed by another referendum. (This was enacted by ch. 80-347, L.O.F.)
- Tangible personal property held for sale as stock in trade or livestock may be classified for tax purposes or may be exempted from taxation. (All items of inventory were exempted by ch. 81-308, L.O.F.)
- Ad valorem tax relief for renters who are permanent residents was authorized, but must be enacted by general law. (The Legislature has provided for such relief only for residents of non-profit homes for the aged and proprietary continuing care facilities.)
- State aid to local governments may be tied to relative ad valorem assessment levels. (The Florida Education Finance Program adjusts state funding by the level of assessment in each school district.)
- The Legislature is authorized to enact an ad valorem exemption for a renewable energy source device and to real property on which such device is installed. (An exemption was enacted by ch. 80-163, L.O.F., but was limited to 10 years and devices installed before December 31, 1990.)

Prior to 1980, the exemption for property owned by governmental units did not apply to those portions of a leasehold estate which are used predominantly for a private, commercial purpose and serve no governmental, municipal, or public purpose.

## AD VALOREM TAXES (Continued)

In 1980, the Legislature amended s. 196.199, F.S., to make such leaseholds subject to intangibles tax if rental payments are paid for the use of the property.

In 1980 the Legislature also enacted ad valorem tax reform legislation popularly known as the "Truth in Millage" or "TRIM" law, which contained a number of major changes related to the administration of property assessments. It improved the assessment review process, strengthened state supervision of assessment procedures and mandated full disclosure to taxpayers of property tax information.

Art. VII, sec. 6 of the Florida Constitution was amended in 1987 to allow land producing high water recharge to Florida's aquifers to be classified by general law and assessed solely on the basis of character or use. Prior to this, classification had been authorized for agricultural land and land used exclusively for non-commercial recreational uses. Chapter 96-204, L.O.F., provided for classification of high water recharge areas.

In 1992 Florida voters approved two changes to the Constitution pertaining to property taxation. One change authorized cities or counties to grant ad valorem tax exemptions to owners of historic properties engaging in rehabilitation or renovation of these properties, subject to general law. Chapter 92-152, L.O.F., provided the general law enactment of this amendment. The second Constitutional change in 1992 was initiated by a petition, and limited increases in the assessment of homestead property to 3 percent per year or the Consumer Price Index, whichever is lower. After a change in ownership or other termination of the homestead the property is reassessed at just value. This amendment was popularly known as "Save Our Homes."

The Florida Constitution was amended in 1998 to authorize, by general law, an additional homestead exemption for persons 65 or older whose household income is less than \$20,000. The exemption is by local option, and applies to the millage of the county or municipality providing the exemption. The income limitation is adjusted annually for changes in cost of living. The legislature enacted ch. 99-341, L.O.F., to provide for this additional homestead exemption.

Another 1998 amendment authorized a historic preservation ad valorem tax exemption for owners of historic properties. Such exemptions may be offered by any county or municipality for the purposed of its respective tax levy, and the amount or limit of the amount of this exemption and the requirements for eligible properties must be specified by general law, as well as the period of time for which this exemption may be granted.

In 2002 the Legislature increased the amount of the exemption available to certain disabled veterans from \$500 to \$5,000. In addition, the Florida Constitution was amended in 2002 to allow local governments to grant a reduction in the assessed value of homestead property when there has been an increase in the assessed value of that property due to the construction or reconstruction of the property in order to provide living quarters for the natural or adoptive parents or grandparents of the owner, provided that at least one of the parents or grandparents is age 62 or older. This reduction in value is limited to the lesser of the increase in value resulting from the construction or reconstruction, or twenty percent of the value of the property as improved.

In 2005 legislation was passed to extend the \$5000 exemption granted to disabled ex-service members to a members un-remarried widow or widower as long as they had been married to the veteran for at least 5 years at the time of death. In addition, special provisions were made for persons who lost their homestead property during the 2004 hurricane season to allow them to rebuild their property without losing their Save our Homes capped value, provided the rebuilt home was no larger than 1500 square feet (if the home originally measured 1350 square feet or less) or 110% of the previous square footage.

# HJR Summary

Num	Primary Sponsor(s)	Short Title	Summary	Referred Committee Actions
0353	Lopez-Cantera	Increased Homestead Exemption	Proposes an amendment to s. 6, Art. VII of the State Constitution to increase the homestead exemption from \$25,000 to \$50,000 for all levies, school districts or otherwise.	Finance & Tax Committee DateRcvd: 12/5/2005 3:33:49 PM Local Government Council Fiscal Council
0413	Sands	Homestead Assessed Value Reduction	Proposes an amendment to s. 4, Art. VII of the State Constitution to authorize any county or any municipality in the county to provide by ordinance, subject to elector approval, for a reduction over a 5-year period of up to \$100,000 in the assessed value of property purchased, used, and maintained by a first-time homebuyer as homestead property for 5 years; provides for recapture of taxes on the reduced amount and interest on such taxes if ownership of the property changes within the 5-year period; provides for calculation of the assessed value of the property after the 5-year period at the Save Our Homes rate calculated on the reduced amount from the date of the original purchase of the property; and defines a first-time homebuyer as a person who purchases a home for use as a primary permanent residence, who has never owned a home in Florida prior to such purchase, and who earns no more than 120 percent of the median income of residents of the county.	Local Government Council DateRcvd: 12/23/2005 1:42:45 PM Judiciary Committee Finance & Tax Committee Fiscal Council
0441	Zapata	Prohibiting Homestead Property Assessed Value Increases for Senior Citizens	Proposes an amendment to s. 4, Art. VII of the State Constitution to provide that a county, by ordinance, may, in the manner provided by general law, prohibit an increase in the assessed value of homestead property located in that county which is owned by a person who has attained age 62 and whose household income, as defined by general law, does not exceed \$25,000 per year, as adjusted for inflation in accordance with general law.	Finance & Tax Committee DateRcvd: 2/2/2006 4:30:47 PM Local Government Council Judiciary Committee Fiscal Council
0631	Sansom	World War II Permanently Disabled Veterans' Discount on Homestead Ad Valorem Tax	Proposes an amendment to s. 6, Art. VII of the State Constitution to provide a discount from the amount of ad valorem tax on the homestead of a partially or totally permanently disabled veteran of World War II who was a Florida resident at the time of entering military service, whose disability was combat-related, and who was honorably discharged; specifies the percentage of the discount as equal to the percentage of the veteran's permanent combat-related disability; specifies qualification requirements for the discount; specifies that the provision is self-executing, not requiring implementing legislation; specifies a December 7, 2006, effective date.	Military & Veteran Affairs Committee DateRcvd: 1/26/2006 10:36:57 AM DateAgenda: 2/22/2006 1:30:00 PM Finance & Tax Committee State Administration Council
0953	Stargel	Maintaining Homestead Exemption for Certain Military Personnel and Victims of Natural Disasters	Proposes an amendment to s. 6, Art. VII of the State Constitution to entitle active-duty military personnel who own a home with a homestead exemption and are ordered to relocate from Florida and rent rather than sell the property to maintain continuous homestead exemption, subject to specific time and residence limitations; to entitle persons who are victims of a natural disaster who rebuild partially or totally destroyed homes to maintain the homestead exemption on such homes, subject to specific limitations to capture increased construction assessed values; and to provide for such property the constitutionally specified limitations on changes in assessments of homestead property.	Judiciary Committee DateRcvd: 2/21/2006 9:46:37 AM Military & Veteran Affairs Committee Finance & Tax Committee Justice Council
1071	Taylor	Working Waterfront and Affordable Rental Housing Property Assessments	Proposes an amendment to s. 4, Art. VII of the State Constitution to provide for assessing ad valorem taxation solely on the basis of character or use for property used exclusively for working waterfront purposes or affordable rental housing purposes.	
0443	Barreiro	Property Tax Exemptions	Proposes an amendment to s. 3, Art. VII of the State Constitution to exempt from taxation property owned by a municipality and used by the municipality exclusively for governmental purposes and to authorize all property owned by a municipality not otherwise exempt from taxation or by a special district and used for airport, seaport, or public purposes and other uses incidental to such purposes to be exempted from taxation as provided by general law.	Local Government Council DateRcvd: 12/23/2005 1:53:13 PM DateAgenda: 1/25/2006 1:00:00 PM Action: Favorable With Committee Substitute Years: 7, Nays: 0 Judiciary Committee DateRcvd: 2/20/2006 2:27:58 PM Finance & Tax Committee Fiscal Council

Num	Primary Sponsors	Short Title	Summary	Referred Committee Actions
0039	Farkas	Limitations on Assessments of Residential and Commercial Property	Proposes an amendment to s. 4, Art. VII of the State Constitution to apply to all residential and commercial property the limitations on assessments of property at just value currently applicable only to homestead property.	Judiciary Committee DateRcvd: 9/9/2005 12:03:10 PM DateAgenda: 1/25/2006 9:30:00 AM Action: Discussed DateAgenda: 2/8/2006 10:45:00 AM Action: Temporarily Deferred DateAgenda: 2/22/2006 10:15:00 AM Local Government Council Finance & Tax Committee Justice Council
0033	Domino	Homestead Property Assessments	Proposes an amendment to s. 4, Art. VII of the State Constitution to provide for assessing homestead property at less than just value when a person sells homestead property and within one year purchases another property as homestead property; provides criteria for determining the just value and assessed value of the new homestead property.	Judiciary Committee DateRcvd: 9/9/2005 12:03:06 PM DateAgenda: 2/22/2006 10:15:00 AM Local Government Council Finance & Tax Committee Justice Council
0239	Ryan	Homestead Property Assessments after Changes in Ownership	Proposes an amendment to s. 4, Art. VII of the State Constitution to authorize counties to provide by ordinance, subject to voter approval of the ordinance by referendum, for assessing homestead property at other than just value by requiring, when homestead property is sold and replacement homestead property is purchased within one year, the subtraction of up to \$250,000 of the difference between the assessed value and the market value of sold homestead property from the market value of replacement homestead property for purposes of determining the assessed value of the replacement homestead property; and indexing the \$250,000 amount to the rate of inflation of the Consumer Price Index for housing each year.	Judiciary Committee DateRcvd: 11/10/2005 4:42:43 PM Local Government Council Finance & Tax Committee Justice Council
0417	Llorrente	Taxation; Homestead Property Assessments	Proposes an amendment to s. 4, Art. VII of the State Constitution to provide for assessing at less than just value property purchased within 2 years after the sale of homestead property if the new property is established as homestead and if the initial lesser assessment of the new property is not less than the assessment applicable to the prior homestead at the time of sale and to provide that the just value of the new homestead must not exceed the just value of the prior homestead, that the person selling the prior homestead must not have previously received the initial lesser assessment, that both the new homestead and prior homestead must be in the same county, and that the total building square footage of the new homestead must not exceed 110 percent of that square footage of the prior homestead.	Finance & Tax Committee DateRcvd: 12/23/2005 1:53:05 PM Local Government Council Judiciary Committee Fiscal Council
0598	Geller	Ad Val Tax/Just Value/Eminent Domain	constitutional amendment to provide for assessing at less than just value replacement homestead property of person whose previous homestead property was taken through eminent domain if claim of homestead exemption on replacement property is made within specified time, etc. Amends s. 4, Art. VII.	12/14/05 S Referred to Community Affairs; Government Efficiency Appropriations; Ways and Means; Rules and Calendar 11/04/05 S Filed



House Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII of the State Constitution to provide an additional circumstance for assessing homestead property at less than just value .

Be It Resolved by the Legislature of the State of Florida:

That the following amendment to Section 4 of Article VII of the State Constitution is agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose :

ARTICLE VII

FINANCE AND TAXATION

SECTION 4. Taxation; assessments. --By general law regulations shall be prescribed which shall secure a just valuation of all property for ad valorem taxation, provided:

(a) Agricultural land, land producing high water recharge to Florida's aquifers, or land used exclusively for noncommercial recreational purposes may be classified by general law and assessed solely on the basis of character or use.

(b) Pursuant to general law tangible personal property held for sale as stock in trade and livestock may be valued for taxation at a specified percentage of its value, may be classified for tax purposes, or may be exempted from taxation.

(c) All persons entitled to a homestead exemption under Section 6 of this Article shall have their homestead assessed at

29 just value as of January 1 of the year following the effective  
 30 date of this amendment. This assessment shall change only as  
 31 provided herein.

32 (1) Assessments subject to this provision shall be changed  
 33 annually on January 1st of each year; but those changes in  
 34 assessments shall not exceed the lower of the following:

35 a. Three percent (3%) of the assessment for the prior  
 36 year.

37 b. The percent change in the Consumer Price Index for all  
 38 urban consumers, U.S. City Average, all items 1967=100, or  
 39 successor reports for the preceding calendar year as initially  
 40 reported by the United States Department of Labor, Bureau of  
 41 Labor Statistics.

42 (2) No assessment shall exceed just value.

43 (3) After any change of ownership, as provided by general  
 44 law, homestead property shall be assessed at just value as of  
 45 January 1 of the following year, unless the provisions of  
 46 paragraph (8) apply. Thereafter, the homestead shall be assessed  
 47 as provided herein.

48 (4) New homestead property shall be assessed at just value  
 49 as of January 1st of the year following the establishment of the  
 50 homestead, unless the provisions of paragraph (8) apply. That  
 51 assessment shall only change as provided herein.

52 (5) Changes, additions, reductions, or improvements to  
 53 homestead property shall be assessed as provided for by general  
 54 law; provided, however, after the adjustment for any change,  
 55 addition, reduction, or improvement, the property shall be  
 56 assessed as provided herein.

57 (6) In the event of a termination of homestead status, the  
 58 property shall be assessed as provided by general law.

59 (7) The provisions of this amendment are severable. If any  
 60 of the provisions of this amendment shall be held  
 61 unconstitutional by any court of competent jurisdiction, the  
 62 decision of such court shall not affect or impair any remaining  
 63 provisions of this amendment.

64 (8) When a person sells his or her homestead property  
 65 within this state and within one year purchases another property  
 66 and establishes such property as homestead property, the newly  
 67 established homestead property shall be initially assessed at  
 68 less than just value, as provided by general law. The difference  
 69 between the new homestead property's just value and its assessed  
 70 value in the first year the homestead is established may not  
 71 exceed the difference between the previous homestead's just value  
 72 and its assessed value in the year of sale. In addition, to be  
 73 assessed as provided in this paragraph, the assessed value of the  
 74 new homestead must equal or exceed the assessed value of the  
 75 previous homestead. Thereafter, the homestead shall be assessed  
 76 as provided herein.

77 (d) The legislature may, by general law, for assessment  
 78 purposes and subject to the provisions of this subsection, allow  
 79 counties and municipalities to authorize by ordinance that  
 80 historic property may be assessed solely on the basis of  
 81 character or use. Such character or use assessment shall apply  
 82 only to the jurisdiction adopting the ordinance. The  
 83 requirements for eligible properties must be specified by  
 84 general law.

HJR 33

2006

85 | (e) A county may, in the manner prescribed by general law,  
 86 | provide for a reduction in the assessed value of homestead  
 87 | property to the extent of any increase in the assessed value of  
 88 | that property which results from the construction or  
 89 | reconstruction of the property for the purpose of providing  
 90 | living quarters for one or more natural or adoptive grandparents  
 91 | or parents of the owner of the property or of the owner's spouse  
 92 | if at least one of the grandparents or parents for whom the  
 93 | living quarters are provided is 62 years of age or older. Such a  
 94 | reduction may not exceed the lesser of the following:

95 | (1) The increase in assessed value resulting from  
 96 | construction or reconstruction of the property.

97 | (2) Twenty percent of the total assessed value of the  
 98 | property as improved.

99 | BE IT FURTHER RESOLVED that the following statement be  
 100 | placed on the ballot:

101 | CONSTITUTIONAL AMENDMENT

102 | ARTICLE VII, SECTION 4

103 | HOMESTEAD PROPERTY ASSESSMENTS.--Proposing an amendment to  
 104 | the State Constitution to provide for assessing at less than  
 105 | just value property purchased within one year after a sale of  
 106 | homestead property and established as new homestead property,  
 107 | limited by the difference between the new homestead property's  
 108 | just value and its assessed value in the first year the  
 109 | homestead is established not exceeding the difference between  
 110 | the previous homestead's just value and its assessed value in  
 111 | the year of sale and the new homestead property's assessed value

HJR 33

2006

112 | equaling or exceeding the old homestead property's assessed  
113 | value.



House Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII of the State Constitution relating to limitations on assessments of residential and commercial property.

Be It Resolved by the Legislature of the State of Florida :

That the following amendment to Section 4 of Article VII of the State Constitution is agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose :

ARTICLE VII

FINANCE AND TAXATION

SECTION 4. Taxation; assessments.--By general law regulations shall be prescribed which shall secure a just valuation of all property for ad valorem taxation, provided:

(a) Agricultural land, land producing high water recharge to Florida's aquifers, or land used exclusively for noncommercial recreational purposes may be classified by general law and assessed solely on the basis of character or use.

(b) Pursuant to general law tangible personal property held for sale as stock in trade and livestock may be valued for taxation at a specified percentage of its value, may be classified for tax purposes, or may be exempted from taxation.

(c) All residential or commercial property ~~persons~~ ~~entitled to a homestead exemption under Section 6 of this~~

29 ~~Article~~ shall be ~~have their homestead~~ assessed at just value as  
 30 of January 1 of the year following the effective date of this  
 31 amendment. This assessment shall change only as provided herein.

32 (1) Assessments subject to this provision shall be changed  
 33 annually on January 1st of each year; but those changes in  
 34 assessments shall not exceed the lower of the following:

35 a. Three percent (3%) of the assessment for the prior  
 36 year.

37 b. The percent change in the Consumer Price Index for all  
 38 urban consumers, U.S. City Average, all items 1967=100, or  
 39 successor reports for the preceding calendar year as initially  
 40 reported by the United States Department of Labor, Bureau of  
 41 Labor Statistics.

42 (2) No assessment shall exceed just value.

43 (3) After any change of ownership, as provided by general  
 44 law, residential or commercial ~~homestead~~ property shall be  
 45 assessed at just value as of January 1 of the following year.  
 46 Thereafter, the property ~~homestead~~ shall be assessed as provided  
 47 herein.

48 (4) New residential or commercial ~~homestead~~ property shall  
 49 be assessed at just value as of January 1st of the year  
 50 following the completion of construction ~~establishment~~ of the  
 51 property ~~homestead~~. That assessment shall only change as  
 52 provided herein.

53 (5) Changes, additions, reductions, or improvements to  
 54 residential or commercial ~~homestead~~ property shall be assessed  
 55 as provided for by general law; provided, however, after the

56 adjustment for any change, addition, reduction, or improvement,  
 57 the property shall be assessed as provided herein.

58 ~~(6) In the event of a termination of homestead status, the~~  
 59 ~~property shall be assessed as provided by general law.~~

60 (6)~~(7)~~ The provisions of this amendment are severable. If  
 61 any of the provisions of this amendment shall be held  
 62 unconstitutional by any court of competent jurisdiction, the  
 63 decision of such court shall not affect or impair any remaining  
 64 provisions of this amendment.

65 (d) The legislature may, by general law, for assessment  
 66 purposes and subject to the provisions of this subsection, allow  
 67 counties and municipalities to authorize by ordinance that  
 68 historic property may be assessed solely on the basis of  
 69 character or use. Such character or use assessment shall apply  
 70 only to the jurisdiction adopting the ordinance. The  
 71 requirements for eligible properties must be specified by  
 72 general law.

73 (e) A county may, in the manner prescribed by general law,  
 74 provide for a reduction in the assessed value of homestead  
 75 property to the extent of any increase in the assessed value of  
 76 that property which results from the construction or  
 77 reconstruction of the property for the purpose of providing  
 78 living quarters for one or more natural or adoptive grandparents  
 79 or parents of the owner of the property or of the owner's spouse  
 80 if at least one of the grandparents or parents for whom the  
 81 living quarters are provided is 62 years of age or older. Such a  
 82 reduction may not exceed the lesser of the following:

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83           (1) The increase in assessed value resulting from  
84 construction or reconstruction of the property.

85           (2) Twenty percent of the total assessed value of the  
86 property as improved.

87           BE IT FURTHER RESOLVED that the following statement be  
88 placed on the ballot:

89                                   CONSTITUTIONAL AMENDMENT

90                                   ARTICLE VII, SECTION 4

91           LIMITATIONS ON ASSESSMENTS OF RESIDENTIAL AND COMMERCIAL  
92 PROPERTY.--Proposing an amendment to the State Constitution to  
93 apply to all residential and commercial property the limitations  
94 on assessments of property at just value currently applicable  
95 only to homestead property.



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House Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII of the State Constitution relating to assessments of homestead property after changes in ownership.

Be It Resolved by the Legislature of the State of Florida:

That the following amendment to Section 4 of Article VII of the State Constitution is agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose:

ARTICLE VII

FINANCE AND TAXATION

SECTION 4. Taxation; assessments.--By general law regulations shall be prescribed which shall secure a just valuation of all property for ad valorem taxation, provided:

(a) Agricultural land, land producing high water recharge to Florida's aquifers, or land used exclusively for noncommercial recreational purposes may be classified by general law and assessed solely on the basis of character or use.

(b) Pursuant to general law tangible personal property held for sale as stock in trade and livestock may be valued for taxation at a specified percentage of its value, may be classified for tax purposes, or may be exempted from taxation.

(c) All persons entitled to a homestead exemption under Section 6 of this Article shall have their homestead assessed at

29 | just value as of January 1 of the year following the effective  
 30 | date of this amendment. This assessment shall change only as  
 31 | provided herein.

32 |       (1) Assessments subject to this provision shall be changed  
 33 | annually on January 1st of each year; but those changes in  
 34 | assessments shall not exceed the lower of the following:

35 |       a. Three percent (3%) of the assessment for the prior  
 36 | year.

37 |       b. The percent change in the Consumer Price Index for all  
 38 | urban consumers, U.S. City Average, all items 1967=100, or  
 39 | successor reports for the preceding calendar year as initially  
 40 | reported by the United States Department of Labor, Bureau of  
 41 | Labor Statistics.

42 |       (2) No assessment shall exceed just value.

43 |       (3)a. Except as provided in subparagraph b., after any  
 44 | change of ownership, as provided by general law, homestead  
 45 | property shall be assessed at just value as of January 1 of the  
 46 | following year. Thereafter, the homestead shall be assessed as  
 47 | provided herein.

48 |       b. By ordinance of a county, subject to approval by a  
 49 | majority of the electors of the county voting in a referendum on  
 50 | the adoption of such ordinance, the county may authorize the  
 51 | assessment of homestead property at other than just value as  
 52 | follows: When the owner of homestead property sells the property  
 53 | and within one year purchases another property in this state as  
 54 | homestead property, an amount as specified by the ordinance of  
 55 | up to \$250,000 of the difference between the assessed value and  
 56 | the market value of the property sold shall be subtracted from

57 the market value of the purchased property for purposes of  
 58 determining the assessed value of the purchased property .  
 59 However, the subtraction may not result in an assessed value of  
 60 the purchased property lower than the assessed value of such  
 61 property at the time of purchase if the property was used as  
 62 homestead property at the time of purchase. The \$250,000 amount  
 63 shall be adjusted each year to reflect the rate of inflation as  
 64 indicated in the Consumer Price Index for All Urban Consumers,  
 65 U.S. City Average, Housing, or successor reports as reported by  
 66 the Bureau of Labor Statistics of the United States Department  
 67 of Labor, or its successor.

68 (4) New homestead property shall be assessed at just value  
 69 as of January 1st of the year following the establishment of the  
 70 homestead. That assessment shall only change as provided herein.

71 (5) Changes, additions, reductions, or improvements to  
 72 homestead property shall be assessed as provided for by general  
 73 law; provided, however, after the adjustment for any change,  
 74 addition, reduction, or improvement, the property shall be  
 75 assessed as provided herein.

76 (6) In the event of a termination of homestead status, the  
 77 property shall be assessed as provided by general law.

78 (7) The provisions of this amendment are severable. If any  
 79 of the provisions of this amendment shall be held  
 80 unconstitutional by any court of competent jurisdiction, the  
 81 decision of such court shall not affect or impair any remaining  
 82 provisions of this amendment.

83 (d) The legislature may, by general law, for assessment  
 84 purposes and subject to the provisions of this subsection, allow

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85 | counties and municipalities to authorize by ordinance that  
 86 | historic property may be assessed solely on the basis of  
 87 | character or use. Such character or use assessment shall apply  
 88 | only to the jurisdiction adopting the ordinance. The  
 89 | requirements for eligible properties must be specified by  
 90 | general law.

91 | (e) A county may, in the manner prescribed by general law,  
 92 | provide for a reduction in the assessed value of homestead  
 93 | property to the extent of any increase in the assessed value of  
 94 | that property which results from the construction or  
 95 | reconstruction of the property for the purpose of providing  
 96 | living quarters for one or more natural or adoptive grandparents  
 97 | or parents of the owner of the property or of the owner's spouse  
 98 | if at least one of the grandparents or parents for whom the  
 99 | living quarters are provided is 62 years of age or older. Such a  
 100 | reduction may not exceed the lesser of the following:

101 | (1) The increase in assessed value resulting from  
 102 | construction or reconstruction of the property.

103 | (2) Twenty percent of the total assessed value of the  
 104 | property as improved.

105 | BE IT FURTHER RESOLVED that the following statement be  
 106 | placed on the ballot:

107 | CONSTITUTIONAL AMENDMENT

108 | ARTICLE VII, SECTION 4

109 | HOMESTEAD PROPERTY ASSESSMENTS AFTER CHANGES IN  
 110 | OWNERSHIP.--Proposing an amendment to the State Constitution to  
 111 | authorize counties to provide, by ordinance subject to voter  
 112 | approval of the ordinance by referendum, for assessing homestead

HJR 239

2006

113 | property at other than just value by requiring, when homestead  
114 | property is sold and replacement homestead property is purchased  
115 | within one year, the subtraction of up to \$250,000 of the  
116 | difference between the assessed value and the market value of  
117 | sold homestead property from the market value of replacement  
118 | homestead property for purposes of determining the assessed  
119 | value of the replacement homestead property; and adjusting the  
120 | \$250,000 threshold to reflect the rate of inflation of the  
121 | Consumer Price Index for housing.

Senate

CHAMBER ACTION

House

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The Committee on Government Efficiency Appropriations  
(Campbell) recommended the following amendment:

**Senate Amendment (with title amendment)**

Delete everything after the resolving clause

and insert:

That the following amendment to Section 4 of Article  
VII of the State Constitution is agreed to and shall be  
submitted to the electors of this state for approval or  
rejection at the next general election or at an earlier  
special election specifically authorized by law for that  
purpose:

ARTICLE VII

FINANCE AND TAXATION

SECTION 4. Taxation; assessments.--By general law  
regulations shall be prescribed which shall secure a just  
valuation of all property for ad valorem taxation, provided:

(a) Agricultural land, land producing high water  
recharge to Florida's aquifers, or land used exclusively for  
noncommercial recreational purposes may be classified by

Bill No. SJR 384

1 general law and assessed solely on the basis of character or  
2 use.

3 (b) Pursuant to general law tangible personal property  
4 held for sale as stock in trade and livestock may be valued  
5 for taxation at a specified percentage of its value, may be  
6 classified for tax purposes, or may be exempted from taxation.

7 (c) All persons entitled to a homestead exemption  
8 under Section 6 of this Article shall have their homestead  
9 assessed at just value as of January 1 of the year following  
10 the effective date of this amendment. This assessment shall  
11 change only as provided herein.

12 (1) Assessments subject to this provision shall be  
13 changed annually on January 1st of each year; but those  
14 changes in assessments shall not exceed the lower of the  
15 following:

16 a. Three percent (3%) of the assessment for the prior  
17 year.

18 b. The percent change in the Consumer Price Index for  
19 all urban consumers, U.S. City Average, all items 1967=100, or  
20 successor reports for the preceding calendar year as initially  
21 reported by the United States Department of Labor, Bureau of  
22 Labor Statistics.

23 (2) No assessment shall exceed just value.

24 (3) a. Except as provided in subparagraph b., after any  
25 change of ownership, as provided by general law, homestead  
26 property shall be assessed at just value as of January 1 of  
27 the following year. Thereafter, the homestead shall be  
28 assessed as provided herein.

29 b. By ordinance of a county, subject to approval by a  
30 majority of the electors of the county voting in a referendum  
31 on the adoption of such ordinance, the county may authorize

Bill No. SJR 384

1 the assessment of homestead property at other than just value  
2 as follows: When the owner of homestead property in that  
3 county or in another county that has adopted such an ordinance  
4 sells the property and within one year purchases as homestead  
5 property another property in a county that has adopted such an  
6 ordinance, an amount as specified by the ordinance of up to  
7 \$100,000 of the difference between the assessed value and the  
8 just value of the property sold shall be subtracted from the  
9 just value, as of January 1 of the year after the sale, of the  
10 purchased property for purposes of determining the assessed  
11 value of the purchased property. The \$100,000 limitation and  
12 the amount specified by the ordinance shall be adjusted each  
13 year to reflect the rate of inflation as indicated in the  
14 Consumer Price Index for All Urban Consumers, U.S. City  
15 Average, Housing, or successor reports as reported by the  
16 Bureau of Labor Statistics of the United States Department of  
17 Labor, or its successor. However, the assessment at other than  
18 just value authorized by this subparagraph shall not apply to  
19 a tax levy by a school district.

20 (4) Except as provided in subparagraph (3)b., new  
21 homestead property shall be assessed at just value as of  
22 January 1st of the year following the establishment of the  
23 homestead. That assessment shall only change as provided  
24 herein.

25 (5) Changes, additions, reductions, or improvements to  
26 homestead property shall be assessed as provided for by  
27 general law; provided, however, after the adjustment for any  
28 change, addition, reduction, or improvement, the property  
29 shall be assessed as provided herein.

30 (6) In the event of a termination of homestead status,  
31 the property shall be assessed as provided by general law.

Bill No. SJR 384

1           (7) The provisions of this amendment are severable. If  
2 any of the provisions of this amendment shall be held  
3 unconstitutional by any court of competent jurisdiction, the  
4 decision of such court shall not affect or impair any  
5 remaining provisions of this amendment.

6           (d) The legislature may, by general law, for  
7 assessment purposes and subject to the provisions of this  
8 subsection, allow counties and municipalities to authorize by  
9 ordinance that historic property may be assessed solely on the  
10 basis of character or use. Such character or use assessment  
11 shall apply only to the jurisdiction adopting the ordinance.  
12 The requirements for eligible properties must be specified by  
13 general law.

14           (e) A county may, in the manner prescribed by general  
15 law, provide for a reduction in the assessed value of  
16 homestead property to the extent of any increase in the  
17 assessed value of that property which results from the  
18 construction or reconstruction of the property for the purpose  
19 of providing living quarters for one or more natural or  
20 adoptive grandparents or parents of the owner of the property  
21 or of the owner's spouse if at least one of the grandparents  
22 or parents for whom the living quarters are provided is 62  
23 years of age or older. Such a reduction may not exceed the  
24 lesser of the following:

25           (1) The increase in assessed value resulting from  
26 construction or reconstruction of the property.

27           (2) Twenty percent of the total assessed value of the  
28 property as improved.

29           BE IT FURTHER RESOLVED that the following statement be  
30 placed on the ballot:

31                                   CONSTITUTIONAL AMENDMENT

ARTICLE VII, SECTION 4

HOMESTEAD PROPERTY ASSESSMENTS AFTER CHANGES IN

OWNERSHIP.--Proposing an amendment to the State Constitution to authorize counties to provide, by ordinance subject to voter approval of the ordinance by referendum, and except for school district tax levies, for assessing homestead property at other than just value by requiring, when homestead property in that county is purchased as a replacement within 1 year for homestead property sold in that county or another county that has adopted such an ordinance, the subtraction of up to \$100,000 of the difference between the assessed value and the just value of sold homestead property from the just value of replacement homestead property for purposes of determining the assessed value of the replacement homestead property, and adjusting the amount subtracted to reflect the rate of inflation of the Consumer Price Index for housing.

===== T I T L E    A M E N D M E N T =====

And the title is amended as follows:

    Delete everything before the resolving clause

and insert:

        Senate Joint Resolution

        A joint resolution proposing an amendment to Section 4 of Article VII of the State Constitution relating to assessments of homestead property after changes in ownership.



House Joint Resolution

A joint resolution proposing an amendment to Section 6 of Article VII of the State Constitution to increase the homestead exemption from \$25,000 to \$50,000 for all levies.

Be It Resolved by the Legislature of the State of Florida:

That the following amendment to Section 6 of Article VII of the State Constitution is agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose:

ARTICLE VII

FINANCE AND TAXATION

SECTION 6. Homestead exemptions. --

(a) Every person who has the legal or equitable title to real estate and maintains thereon the permanent residence of the owner, or another legally or naturally dependent upon the owner, shall be exempt from taxation thereon, except assessments for special benefits, up to the assessed valuation of five thousand dollars, upon establishment of right thereto in the manner prescribed by law. The real estate may be held by legal or equitable title, by the entirety, jointly, in common, as a condominium, or indirectly by stock ownership or membership representing the owner's or member's proprietary interest in a corporation owning a fee or a leasehold initially in excess of ninety-eight years.

29 (b) Not more than one exemption shall be allowed any  
 30 individual or family unit or with respect to any residential  
 31 unit. No exemption shall exceed the value of the real estate  
 32 assessable to the owner or, in case of ownership through stock  
 33 or membership in a corporation, the value of the proportion  
 34 which the interest in the corporation bears to the assessed  
 35 value of the property.

36 (c) By general law and subject to conditions specified  
 37 therein, the exemption shall be increased to a total of fifty  
 38 ~~twenty-five~~ thousand dollars of the assessed value of the real  
 39 estate for each school district levy. By general law and subject  
 40 to conditions specified therein, the exemption for all other  
 41 levies may be increased up to an amount not exceeding ten  
 42 thousand dollars of the assessed value of the real estate if the  
 43 owner has attained age sixty-five or is totally and permanently  
 44 disabled and if the owner is not entitled to the exemption  
 45 provided in subsection (d).

46 (d) By general law and subject to conditions specified  
 47 therein, the exemption shall be increased to a total of fifty  
 48 thousand dollars ~~the following amounts~~ of the assessed value of  
 49 the real estate for each levy other than those of school  
 50 districts: ~~fifteen thousand dollars with respect to 1980~~  
 51 ~~assessments; twenty thousand dollars with respect to 1981~~  
 52 ~~assessments; twenty-five thousand dollars with respect to~~  
 53 ~~assessments for 1982 and each year thereafter.~~ However, such  
 54 increase shall not apply with respect to any assessment roll  
 55 until such roll is first determined to be in compliance with the  
 56 provisions of section 4 by a state agency designated by general

57 law. This subsection shall stand repealed on the effective date  
 58 of any amendment to section 4 which provides for the assessment  
 59 of homestead property at a specified percentage of its just  
 60 value.

61 (e) By general law and subject to conditions specified  
 62 therein, the Legislature may provide to renters, who are  
 63 permanent residents, ad valorem tax relief on all ad valorem tax  
 64 levies. Such ad valorem tax relief shall be in the form and  
 65 amount established by general law.

66 (f) The legislature may, by general law, allow counties or  
 67 municipalities, for the purpose of their respective tax levies  
 68 and subject to the provisions of general law, to grant an  
 69 additional homestead tax exemption not exceeding twenty-five  
 70 thousand dollars to any person who has the legal or equitable  
 71 title to real estate and maintains thereon the permanent  
 72 residence of the owner and who has attained age sixty-five and  
 73 whose household income, as defined by general law, does not  
 74 exceed twenty thousand dollars. The general law must allow  
 75 counties and municipalities to grant this additional exemption,  
 76 within the limits prescribed in this subsection, by ordinance  
 77 adopted in the manner prescribed by general law, and must  
 78 provide for the periodic adjustment of the income limitation  
 79 prescribed in this subsection for changes in the cost of living.

80 BE IT FURTHER RESOLVED that the following statement be  
 81 placed on the ballot:

82 CONSTITUTIONAL AMENDMENT

83 ARTICLE VII, SECTION 6

84 INCREASED HOMESTEAD EXEMPTION.--Proposing an amendment to

HJR 353

2006

85 | the State Constitution to increase the homestead exemption from  
86 | \$25,000 to \$50,000 for all levies, school districts or  
87 | otherwise.



HJR 413

2006

House Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII of the State Constitution to authorize reductions in assessed value of homestead property purchased by first-time homebuyers.

Be It Resolved by the Legislature of the State of Florida:

That the following amendment to Section 4 of Article VII of the State Constitution is agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose :

ARTICLE VII

FINANCE AND TAXATION

SECTION 4. Taxation; assessments.--By general law regulations shall be prescribed which shall secure a just valuation of all property for ad valorem taxation, provided:

(a) Agricultural land, land producing high water recharge to Florida's aquifers, or land used exclusively for noncommercial recreational purposes may be classified by general law and assessed solely on the basis of character or use.

(b) Pursuant to general law tangible personal property held for sale as stock in trade and livestock may be valued for taxation at a specified percentage of its value, may be classified for tax purposes, or may be exempted from taxation.

(c) All persons entitled to a homestead exemption under Section 6 of this Article shall have their homestead assessed at

29 just value as of January 1 of the year following the effective  
 30 date of this amendment. This assessment shall change only as  
 31 provided herein.

32 (1) Assessments subject to this provision shall be changed  
 33 annually on January 1st of each year; but those changes in  
 34 assessments shall not exceed the lower of the following:

35 a. Three percent (3%) of the assessment for the prior  
 36 year.

37 b. The percent change in the Consumer Price Index for all  
 38 urban consumers, U.S. City Average, all items 1967=100, or  
 39 successor reports for the preceding calendar year as initially  
 40 reported by the United States Department of Labor, Bureau of  
 41 Labor Statistics.

42 (2) No assessment shall exceed just value.

43 (3) After any change of ownership, as provided by general  
 44 law, homestead property shall be assessed at just value as of  
 45 January 1 of the following year. Thereafter, the homestead shall  
 46 be assessed as provided herein.

47 (4) New homestead property shall be assessed at just value  
 48 as of January 1st of the year following the establishment of the  
 49 homestead. That assessment shall only change as provided herein.

50 (5) Changes, additions, reductions, or improvements to  
 51 homestead property shall be assessed as provided for by general  
 52 law; provided, however, after the adjustment for any change,  
 53 addition, reduction, or improvement, the property shall be  
 54 assessed as provided herein.

55 (6) In the event of a termination of homestead status, the  
 56 property shall be assessed as provided by general law.

57 (7) The provisions of this amendment are severable. If any  
 58 of the provisions of this amendment shall be held  
 59 unconstitutional by any court of competent jurisdiction, the  
 60 decision of such court shall not affect or impair any remaining  
 61 provisions of this amendment.

62 (d) The legislature may, by general law, for assessment  
 63 purposes and subject to the provisions of this subsection, allow  
 64 counties and municipalities to authorize by ordinance that  
 65 historic property may be assessed solely on the basis of  
 66 character or use. Such character or use assessment shall apply  
 67 only to the jurisdiction adopting the ordinance. The  
 68 requirements for eligible properties must be specified by  
 69 general law.

70 (e) A county may, in the manner prescribed by general law,  
 71 provide for a reduction in the assessed value of homestead  
 72 property to the extent of any increase in the assessed value of  
 73 that property which results from the construction or  
 74 reconstruction of the property for the purpose of providing  
 75 living quarters for one or more natural or adoptive grandparents  
 76 or parents of the owner of the property or of the owner's spouse  
 77 if at least one of the grandparents or parents for whom the  
 78 living quarters are provided is 62 years of age or older. Such a  
 79 reduction may not exceed the lesser of the following:

80 (1) The increase in assessed value resulting from  
 81 construction or reconstruction of the property.

82 (2) Twenty percent of the total assessed value of the  
 83 property as improved.

84 (f) (1) Notwithstanding subsection (c), a county or  
 85 municipality in the county may, for assessment purposes and  
 86 subject to the provisions of this subsection, by ordinance  
 87 approved by vote of the electors of the county or municipality ,  
 88 provide for a reduction of up to \$100,000 in the assessed value  
 89 of property purchased and used as homestead property by a first-  
 90 time homebuyer.

91 (2) Such reduction shall be provided over a period of five  
 92 years and shall be available only if the first-time homebuyer  
 93 remains in and maintains the property as homestead property for  
 94 the entire five-year period.

95 (3) If ownership of the property changes within the five -  
 96 year period, property taxes on the amount of the reduction and  
 97 interest on the amount of such taxes shall be come due and  
 98 payable to the respective taxing authority.

99 (4) At the end of the five-year period, the assessment of  
 100 the property shall be calculated as provided in paragraph (c) (1)  
 101 on the reduced amount from the date of the initial purchase of  
 102 the property.

103 (5) For purposes of this section, the term "first-time  
 104 homebuyer" means a person who purchases a home in the county for  
 105 use as a permanent primary residence, who has never owned a home  
 106 in this state prior to such purchase, and who earns no more than  
 107 120 percent of the median income of residents of the county.

108 BE IT FURTHER RESOLVED that the following statement be  
 109 placed on the ballot :

110 CONSTITUTIONAL AMENDMENT

111 ARTICLE VII, SECTION 4

HJR 413

2006

112 HOMESTEAD ASSESSED VALUE REDUCTION.--Proposing an amendment  
 113 to the State Constitution to authorize any county or  
 114 municipality in the county to provide by ordinance, subject to  
 115 elector approval, for a reduction over a 5-year period of up to  
 116 \$100,000 in the assessed value of property purchased, used, and  
 117 maintained by a first-time homebuyer as homestead property for 5  
 118 years; provide for recapture of taxes on the reduced amount and  
 119 interest on such taxes if ownership of the property changes  
 120 within the 5-year period; provide for calculation of the  
 121 assessed value of the property after the 5-year period at the  
 122 Save Our Homes rate calculated on the reduced amount from the  
 123 date of the original purchase of the property; and define a  
 124 first-time homebuyer as a person who purchases a home in the  
 125 county for use as a primary permanent residence, who has never  
 126 owned a home in Florida prior to such purchase, and who earns no  
 127 more than 120 percent of the median income of residents of the  
 128 county.



House Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII of the State Constitution to provide an additional circumstance for assessing homestead property at less than just value.

Be It Resolved by the Legislature of the State of Florida:

That the following amendment to Section 4 of Article VII of the State Constitution is agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose:

ARTICLE VII

FINANCE AND TAXATION

SECTION 4. Taxation; assessments.--By general law regulations shall be prescribed which shall secure a just valuation of all property for ad valorem taxation, provided:

(a) Agricultural land, land producing high water recharge to Florida's aquifers, or land used exclusively for noncommercial recreational purposes may be classified by general law and assessed solely on the basis of character or use.

(b) Pursuant to general law tangible personal property held for sale as stock in trade and livestock may be valued for taxation at a specified percentage of its value, may be classified for tax purposes, or may be exempted from taxation.

(c) All persons entitled to a homestead exemption under Section 6 of this Article shall have their homestead assessed at

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29 | just value as of January 1 of the year following the effective  
 30 | date of this amendment. This assessment shall change only as  
 31 | provided herein.

32 |       (1) Assessments subject to this provision shall be changed  
 33 | annually on January 1st of each year; but those changes in  
 34 | assessments shall not exceed the lower of the following:

35 |       a. Three percent (3%) of the assessment for the prior  
 36 | year.

37 |       b. The percent change in the Consumer Price Index for all  
 38 | urban consumers, U.S. City Average, all items 1967=100, or  
 39 | successor reports for the preceding calendar year as initially  
 40 | reported by the United States Department of Labor, Bureau of  
 41 | Labor Statistics.

42 |       (2) No assessment shall exceed just value.

43 |       (3) After any change of ownership, as provided by general  
 44 | law, homestead property shall be assessed at just value as of  
 45 | January 1 of the following year, unless the application of  
 46 | paragraph (8) yields an initial lesser assessment. Thereafter,  
 47 | the homestead shall be assessed as provided herein.

48 |       (4) New homestead property shall be assessed at just value  
 49 | as of January 1st of the year following the establishment of the  
 50 | homestead, unless the application of paragraph (8) yields an  
 51 | initial lesser assessment. That assessment shall only change as  
 52 | provided herein.

53 |       (5) Changes, additions, reductions, or improvements to  
 54 | homestead property shall be assessed as provided for by general  
 55 | law; provided, however, after the adjustment for any change,  
 56 | addition, reduction, or improvement, the property shall be

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57 | assessed as provided herein.

58 |       (6) In the event of a termination of homestead status, the  
59 | property shall be assessed as provided by general law.

60 |       (7) The provisions of this amendment are severable. If any  
61 | of the provisions of this amendment shall be held  
62 | unconstitutional by any court of competent jurisdiction, the  
63 | decision of such court shall not affect or impair any remaining  
64 | provisions of this amendment.

65 |       (8) When a person sells his or her homestead property  
66 | within this state and within two years purchases another  
67 | property and establishes such property as homestead property,  
68 | the newly established homestead property shall, in the first  
69 | year the homestead is established, be initially assessed at less  
70 | than just value, as provided by general law. However, the  
71 | initial assessment may not be less than the assessment  
72 | applicable to the prior homestead property at the time of sale.  
73 | To qualify for such initial lesser assessment, the just value of  
74 | the new homestead property at the time of purchase must not  
75 | exceed the just value of the prior homestead property at the  
76 | time of sale, the person selling the prior homestead property  
77 | must not have previously received the initial lesser assessment  
78 | authorized by this paragraph for a homestead property, the new  
79 | homestead property and the prior homestead property must be in  
80 | the same county, and the total building square footage of the  
81 | new homestead property must not exceed one hundred ten percent  
82 | of the total building square footage of the prior homestead  
83 | property. Following the initial lesser assessment, the new  
84 | homestead property shall be assessed as provided in this

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85 subsection.

86 (d) The legislature may, by general law, for assessment  
 87 purposes and subject to the provisions of this subsection, allow  
 88 counties and municipalities to authorize by ordinance that  
 89 historic property may be assessed solely on the basis of  
 90 character or use. Such character or use assessment shall apply  
 91 only to the jurisdiction adopting the ordinance. The  
 92 requirements for eligible properties must be specified by  
 93 general law.

94 (e) A county may, in the manner prescribed by general law,  
 95 provide for a reduction in the assessed value of homestead  
 96 property to the extent of any increase in the assessed value of  
 97 that property which results from the construction or  
 98 reconstruction of the property for the purpose of providing  
 99 living quarters for one or more natural or adoptive grandparents  
 100 or parents of the owner of the property or of the owner's spouse  
 101 if at least one of the grandparents or parents for whom the  
 102 living quarters are provided is 62 years of age or older. Such a  
 103 reduction may not exceed the lesser of the following:

104 (1) The increase in assessed value resulting from  
 105 construction or reconstruction of the property.

106 (2) Twenty percent of the total assessed value of the  
 107 property as improved.

108 BE IT FURTHER RESOLVED that the following statement be  
 109 placed on the ballot:

110 CONSTITUTIONAL AMENDMENT

111 ARTICLE VII, SECTION 4

112 TAXATION; HOMESTEAD PROPERTY ASSESSMENTS. --Proposing an

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113 amendment to the State Constitution to provide for assessing at  
114 less than just value property purchased within 2 years after the  
115 sale of homestead property if the new property is established as  
116 homestead and if the initial lesser assessment of the new  
117 property is not less than the assessment applicable to the prior  
118 homestead at the time of sale and to provide that the just value  
119 of the new homestead must not exceed the just value of the prior  
120 homestead, that the person selling the prior homestead must not  
121 have previously received the initial lesser assessment, that  
122 both the new homestead and prior homestead must be in the same  
123 county, and that the total building square footage of the new  
124 homestead must not exceed 110 percent of that square footage of  
125 the prior homestead.



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House Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII of the State Constitution to authorize legislation that would permit counties to enact ordinances which prohibit an increase in the assessed value of homestead property owned by certain persons who are 62 years of age or older.

WHEREAS, William "Bill" Markham served as the Broward County Property Appraiser from his election in 1968 until his death in office in 2004, and

WHEREAS, Dr. Olga Maria Garcia Martinez, co founder of community action agency and "viejos utiles," worked tirelessly to assist the elderly community until her death in 1973, NOW THEREFORE,

Be It Resolved by the Legislature of the State of Florida:

That the following amendment to Section 4 of Article VII of the State Constitution is agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose :

ARTICLE VII

FINANCE AND TAXATION

SECTION 4. Taxation; assessments. --By general law regulations shall be prescribed which shall secure a just valuation of all property for ad valorem taxation, provided:

29 (a) Agricultural land, land producing high water recharge  
 30 to Florida's aquifers, or land used exclusively for  
 31 noncommercial recreational purposes may be classified by general  
 32 law and assessed solely on the basis of character or use.

33 (b) Pursuant to general law tangible personal property  
 34 held for sale as stock in trade and livestock may be valued for  
 35 taxation at a specified percentage of its value, may be  
 36 classified for tax purposes, or may be exempted from taxation.

37 (c) All persons entitled to a homestead exemption under  
 38 Section 6 of this Article shall have their homestead assessed at  
 39 just value as of January 1 of the year following the effective  
 40 date of this amendment. This assessment shall change only as  
 41 provided herein.

42 (1) Assessments subject to this provision shall be changed  
 43 annually on January 1st of each year; but those changes in  
 44 assessments shall not exceed the lower of the following:

45 a. Three percent (3%) of the assessment for the prior  
 46 year.

47 b. The percent change in the Consumer Price Index for all  
 48 urban consumers, U.S. City Average, all items 1967=100, or  
 49 successor reports for the preceding calendar year as initially  
 50 reported by the United States Department of Labor, Bureau of  
 51 Labor Statistics.

52 (2) No assessment shall exceed just value.

53 (3) After any change of ownership, as provided by general  
 54 law, homestead property shall be assessed at just value as of  
 55 January 1 of the following year. Thereafter, the homestead shall  
 56 be assessed as provided herein.

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57 (4) New homestead property shall be assessed at just value  
 58 as of January 1st of the year following the establishment of the  
 59 homestead. That assessment shall only change as provided herein.

60 (5) Changes, additions, reductions, or improvements to  
 61 homestead property shall be assessed as provided for by general  
 62 law; provided, however, after the adjustment for any change,  
 63 addition, reduction, or improvement, the property shall be  
 64 assessed as provided herein.

65 (6) In the event of a termination of homestead status, the  
 66 property shall be assessed as provided by general law.

67 (7) The provisions of this amendment are severable. If any  
 68 of the provisions of this amendment shall be held  
 69 unconstitutional by any court of competent jurisdiction, the  
 70 decision of such court shall not affect or impair any remaining  
 71 provisions of this amendment.

72 (d) The legislature may, by general law, for assessment  
 73 purposes and subject to the provisions of this subsection, allow  
 74 counties and municipalities to authorize by ordinance that  
 75 historic property may be assessed solely on the basis of  
 76 character or use. Such character or use assessment shall apply  
 77 only to the jurisdiction adopting the ordinance. The  
 78 requirements for eligible properties must be specified by  
 79 general law.

80 (e) A county may, in the manner prescribed by general law,  
 81 provide for a reduction in the assessed value of homestead  
 82 property to the extent of any increase in the assessed value of  
 83 that property which results from the construction or  
 84 reconstruction of the property for the purpose of providing

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85 living quarters for one or more natural or adoptive grandparents  
 86 or parents of the owner of the property or of the owner's spouse  
 87 if at least one of the grandparents or parents for whom the  
 88 living quarters are provided is 62 years of age or older. Such a  
 89 reduction may not exceed the lesser of the following:

90 (1) The increase in assessed value resulting from  
 91 construction or reconstruction of the property.

92 (2) Twenty percent of the total assessed value of the  
 93 property as improved.

94 (f) A county, by ordinance, may, in the manner prescribed  
 95 by general law, prohibit an increase in the assessed value of  
 96 homestead property located in that county which is owned by any  
 97 person who has attained age 62 and whose household income, as  
 98 defined by general law, does not exceed twenty-five thousand  
 99 dollars per year, as adjusted for inflation in accordance with  
 100 general law.

101 BE IT FURTHER RESOLVED that the following statement be  
 102 placed on the ballot:

103 CONSTITUTIONAL AMENDMENT

104 ARTICLE VII, SECTION 4

105 PROHIBITING HOMESTEAD PROPERTY ASSESSED VALUE INCREASES FOR  
 106 SENIOR CITIZENS.--Proposing an amendment to the State  
 107 Constitution to provide that a county, by ordinance, may, in the  
 108 manner provided by general law, prohibit an increase in the  
 109 assessed value of homestead property located in that county  
 110 which is owned by a person who has attained age 62 and whose  
 111 household income, as defined by general law, does not exceed

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112 | \$25,000 per year, as adjusted for inflation in accordance with  
113 | general law.



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CHAMBER ACTION

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1 The Local Government Council recommends the following:

2  
3 **Council/Committee Substitute**

4 Remove the entire bill and insert:

5 House Joint Resolution

6 A joint resolution proposing an amendment to Section 3 of  
7 Article VII of the State Constitution to exempt from  
8 taxation property owned by a municipality and used  
9 exclusively for governmental purposes and to authorize all  
10 property owned by a municipality not otherwise exempt from  
11 taxation or by a special district and used or leased and  
12 operated for certain purposes to be exempted from taxation  
13 as provided by general law.

14  
15 Be It Resolved by the Legislature of the State of Florida:

16  
17 That the following amendment to Section 3 of Article VII of  
18 the State Constitution is agreed to and shall be submitted to  
19 the electors of this state for approval or rejection at the next  
20 general election or at an earlier special election specifically  
21 authorized by law for that purpose:

22 ARTICLE VII

23 FINANCE AND TAXATION

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24 SECTION 3. Taxes; exemptions.--

25 (a) All property owned by a municipality and used  
 26 exclusively by it for governmental, municipal, or public  
 27 purposes shall be exempt from taxation. All property owned by a  
 28 municipality not otherwise exempt from taxation or by a special  
 29 district and used for airport, seaport, or public purposes, as  
 30 defined by general law, and other uses that are incidental  
 31 thereto, may be exempted from taxation as provided by general  
 32 law. A municipality, owning property outside the municipality,  
 33 may be required by general law to make payment to the taxing  
 34 unit in which the property is located. Such portions of property  
 35 as are used predominantly for educational, literary, scientific,  
 36 religious or charitable purposes may be exempted by general law  
 37 from taxation.

38 (b) There shall be exempt from taxation, cumulatively, to  
 39 every head of a family residing in this state, household goods  
 40 and personal effects to the value fixed by general law, not less  
 41 than one thousand dollars, and to every widow or widower or  
 42 person who is blind or totally and permanently disabled,  
 43 property to the value fixed by general law not less than five  
 44 hundred dollars.

45 (c) Any county or municipality may, for the purpose of its  
 46 respective tax levy and subject to the provisions of this  
 47 subsection and general law, grant community and economic  
 48 development ad valorem tax exemptions to new businesses and  
 49 expansions of existing businesses, as defined by general law.  
 50 Such an exemption may be granted only by ordinance of the county  
 51 or municipality, and only after the electors of the county or

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52 municipality voting on such question in a referendum authorize  
 53 the county or municipality to adopt such ordinances. An  
 54 exemption so granted shall apply to improvements to real  
 55 property made by or for the use of a new business and  
 56 improvements to real property related to the expansion of an  
 57 existing business and shall also apply to tangible personal  
 58 property of such new business and tangible personal property  
 59 related to the expansion of an existing business. The amount or  
 60 limits of the amount of such exemption shall be specified by  
 61 general law. The period of time for which such exemption may be  
 62 granted to a new business or expansion of an existing business  
 63 shall be determined by general law. The authority to grant such  
 64 exemption shall expire ten years from the date of approval by  
 65 the electors of the county or municipality, and may be renewable  
 66 by referendum as provided by general law.

67 (d) By general law and subject to conditions specified  
 68 therein, there may be granted an ad valorem tax exemption to a  
 69 renewable energy source device and to real property on which  
 70 such device is installed and operated, to the value fixed by  
 71 general law not to exceed the original cost of the device, and  
 72 for the period of time fixed by general law not to exceed ten  
 73 years.

74 (e) Any county or municipality may, for the purpose of its  
 75 respective tax levy and subject to the provisions of this  
 76 subsection and general law, grant historic preservation ad  
 77 valorem tax exemptions to owners of historic properties. This  
 78 exemption may be granted only by ordinance of the county or  
 79 municipality. The amount or limits of the amount of this

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80 exemption and the requirements for eligible properties must be  
81 specified by general law. The period of time for which this  
82 exemption may be granted to a property owner shall be determined  
83 by general law.

84 BE IT FURTHER RESOLVED that the following statement be  
85 placed on the ballot:

86 CONSTITUTIONAL AMENDMENT

87 ARTICLE VII, SECTION 3

88 PROPERTY TAX EXEMPTIONS.--Proposing an amendment to the  
89 State Constitution to exempt from taxation property owned by a  
90 municipality and used by the municipality exclusively for  
91 governmental purposes and to authorize all property owned by a  
92 municipality not otherwise exempt from taxation or by a special  
93 district and used for airport, seaport, or public purposes and  
94 other uses that are incidental to such purposes to be exempted  
95 from taxation as provided by general law.



By Senator Geller

31-264-06

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Senate Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII of the State Constitution to prescribe the method for valuing certain properties for ad valorem tax purposes.

Be It Resolved by the Legislature of the State of Florida:

That the following amendment to Section 4 of Article VII of the State Constitution is agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose:

ARTICLE VII

FINANCE AND TAXATION

SECTION 4. Taxation; assessments.--By general law regulations shall be prescribed which shall secure a just valuation of all property for ad valorem taxation, provided:

(a) Agricultural land, land producing high water recharge to Florida's aquifers, or land used exclusively for noncommercial recreational purposes may be classified by general law and assessed solely on the basis of character or use.

(b) Pursuant to general law tangible personal property held for sale as stock in trade and livestock may be valued for taxation at a specified percentage of its value, may be classified for tax purposes, or may be exempted from taxation.

(c) All persons entitled to a homestead exemption under Section 6 of this Article shall have their homestead

1 assessed at just value as of January 1 of the year following  
2 the effective date of this amendment. This assessment shall  
3 change only as provided herein.

4 (1) Assessments subject to this provision shall be  
5 changed annually on January 1st of each year; but those  
6 changes in assessments shall not exceed the lower of the  
7 following:

8 a. Three percent (3%) of the assessment for the prior  
9 year.

10 b. The percent change in the Consumer Price Index for  
11 all urban consumers, U.S. City Average, all items 1967=100, or  
12 successor reports for the preceding calendar year as initially  
13 reported by the United States Department of Labor, Bureau of  
14 Labor Statistics.

15 (2) No assessment shall exceed just value.

16 (3) After any change of ownership, as provided by  
17 general law, homestead property shall be assessed at just  
18 value as of January 1 of the following year. Thereafter, the  
19 homestead shall be assessed as provided herein.

20 (4) New homestead property shall be assessed at just  
21 value as of January 1st of the year following the  
22 establishment of the homestead. That assessment shall only  
23 change as provided herein.

24 (5) Changes, additions, reductions, or improvements to  
25 homestead property shall be assessed as provided for by  
26 general law; provided, however, after the adjustment for any  
27 change, addition, reduction, or improvement, the property  
28 shall be assessed as provided herein.

29 (6) In the event of a termination of homestead status,  
30 the property shall be assessed as provided by general law.

31

1           (7) The provisions of this amendment are severable.  
2 If any of the provisions of this amendment shall be held  
3 unconstitutional by any court of competent jurisdiction, the  
4 decision of such court shall not affect or impair any  
5 remaining provisions of this amendment.

6           (d) The legislature may, by general law, for  
7 assessment purposes and subject to the provisions of this  
8 subsection, allow counties and municipalities to authorize by  
9 ordinance that historic property may be assessed solely on the  
10 basis of character or use. Such character or use assessment  
11 shall apply only to the jurisdiction adopting the ordinance.  
12 The requirements for eligible properties must be specified by  
13 general law.

14           (e) A county may, in the manner prescribed by general  
15 law, provide for a reduction in the assessed value of  
16 homestead property to the extent of any increase in the  
17 assessed value of that property which results from the  
18 construction or reconstruction of the property for the purpose  
19 of providing living quarters for one or more natural or  
20 adoptive grandparents or parents of the owner of the property  
21 or of the owner's spouse if at least one of the grandparents  
22 or parents for whom the living quarters are provided is 62  
23 years of age or older. Such a reduction may not exceed the  
24 lesser of the following:

25           (1) The increase in assessed value resulting from  
26 construction or reconstruction of the property.

27           (2) Twenty percent of the total assessed value of the  
28 property as improved.

29           (f) (1) If a person whose homestead property is taken  
30 through the exercise of eminent domain designates replacement  
31 property on which he or she is entitled to a homestead

1 exemption as homestead property and the value of the  
2 replacement property is greater than that exempted by  
3 subsection (c) of this section, the replacement homestead  
4 property shall be initially assessed at less than just value,  
5 as provided by general law. The difference between the  
6 replacement homestead property's just value and its assessed  
7 value in the first year the homestead is established may not  
8 exceed the difference between the previous homestead's just  
9 value and its assessed value in the year of sale. In addition,  
10 to be assessed as provided in this paragraph, the assessed  
11 value of the replacement homestead must equal or exceed the  
12 assessed value of the previous homestead. Thereafter, the  
13 homestead shall be assessed as provided herein.

14 (2) The following conditions apply when calculating  
15 the assessed value of a replacement homestead property under  
16 this subsection:

17 a. This subsection applies only to the first  
18 replacement property on which a homestead exemption is claimed  
19 after the taking.

20 b. The claim of homestead exemption on replacement  
21 property must be made no later than the second January 1  
22 following the taking.

23 c. This subsection applies regardless of whether the  
24 replacement property is in the same county as the taken  
25 property or in a different county.

26 d. This subsection applies regardless of whether the  
27 replacement property was acquired after, or was owned by the  
28 taxpayer at the time of, the taking.

29 BE IT FURTHER RESOLVED that the following statement be  
30 placed on the ballot:

31 CONSTITUTIONAL AMENDMENT

1 ARTICLE VII, SECTION 4  
2 VALUATION OF HOMESTEAD PROPERTY.--Proposing an  
3 amendment to the State Constitution to provide for assessing  
4 at less than just value the replacement homestead property of  
5 a person whose previous homestead property was taken through  
6 eminent domain if the claim of homestead exemption on the  
7 replacement property is made within a specified time, if the  
8 assessed value of the new homestead equals or exceeds the  
9 assessed value of the previous homestead, and if the  
10 difference between the new property's just value and its  
11 assessed value in the first year that a homestead exemption is  
12 claimed does not exceed the difference between the previous  
13 homestead's just value and its assessed value in the year of  
14 sale.  
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House Joint Resolution

A joint resolution proposing an amendment to Section 6 of Article VII of the State Constitution, relating to homestead exemptions from ad valorem taxation, to provide a discount from the amount of ad valorem taxation levied on the homestead of a World War II veteran who meets specified criteria.

Be It Resolved by the Legislature of the State of Florida:

That the following amendment to Section 6 of Article VII of the State Constitution is agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose:

ARTICLE VII

FINANCE AND TAXATION

SECTION 6. Homestead exemptions.--

(a) Every person who has the legal or equitable title to real estate and maintains thereon the permanent residence of the owner, or another legally or naturally dependent upon the owner, shall be exempt from taxation thereon, except assessments for special benefits, up to the assessed valuation of five thousand dollars, upon establishment of right thereto in the manner prescribed by law. The real estate may be held by legal or equitable title, by the entirety, jointly, in common, as a condominium, or indirectly by stock ownership or membership representing the owner's or member's proprietary interest in a

29 corporation owning a fee or a leasehold initially in excess of  
 30 ninety-eight years.

31 (b) Not more than one exemption shall be allowed any  
 32 individual or family unit or with respect to any residential  
 33 unit. No exemption shall exceed the value of the real estate  
 34 assessable to the owner or, in case of ownership through stock  
 35 or membership in a corporation, the value of the proportion  
 36 which the interest in the corporation bears to the assessed  
 37 value of the property.

38 (c) By general law and subject to conditions specified  
 39 therein, the exemption shall be increased to a total of twenty-  
 40 five thousand dollars of the assessed value of the real estate  
 41 for each school district levy. By general law and subject to  
 42 conditions specified therein, the exemption for all other levies  
 43 may be increased up to an amount not exceeding ten thousand  
 44 dollars of the assessed value of the real estate if the owner  
 45 has attained age sixty-five or is totally and permanently  
 46 disabled and if the owner is not entitled to the exemption  
 47 provided in subsection (d).

48 (d) By general law and subject to conditions specified  
 49 therein, the exemption shall be increased to a total of the  
 50 following amounts of assessed value of real estate for each levy  
 51 other than those of school districts: fifteen thousand dollars  
 52 with respect to 1980 assessments; twenty thousand dollars with  
 53 respect to 1981 assessments; twenty-five thousand dollars with  
 54 respect to assessments for 1982 and each year thereafter.  
 55 However, such increase shall not apply with respect to any  
 56 assessment roll until such roll is first determined to be in

57 compliance with the provisions of section 4 by a state agency  
 58 designated by general law. This subsection shall stand repealed  
 59 on the effective date of any amendment to section 4 which  
 60 provides for the assessment of homestead property at a specified  
 61 percentage of its just value.

62 (e) By general law and subject to conditions specified  
 63 therein, the Legislature may provide to renters, who are  
 64 permanent residents, ad valorem tax relief on all ad valorem tax  
 65 levies. Such ad valorem tax relief shall be in the form and  
 66 amount established by general law.

67 (f) The legislature may, by general law, allow counties or  
 68 municipalities, for the purpose of their respective tax levies  
 69 and subject to the provisions of general law, to grant an  
 70 additional homestead tax exemption not exceeding twenty-five  
 71 thousand dollars to any person who has the legal or equitable  
 72 title to real estate and maintains thereon the permanent  
 73 residence of the owner and who has attained age sixty-five and  
 74 whose household income, as defined by general law, does not  
 75 exceed twenty thousand dollars. The general law must allow  
 76 counties and municipalities to grant this additional exemption,  
 77 within the limits prescribed in this subsection, by ordinance  
 78 adopted in the manner prescribed by general law, and must  
 79 provide for the periodic adjustment of the income limitation  
 80 prescribed in this subsection for changes in the cost of living.

81 (g) Each veteran of World War II who is partially or  
 82 totally permanently disabled shall receive a discount from the  
 83 amount of the ad valorem tax otherwise owed on homestead  
 84 property the veteran owns and resides in if the disability was

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85 combat-related, the veteran was a resident of this state at the  
 86 time of entering the military service of the United States, and  
 87 the veteran was honorably discharged upon separation from  
 88 military service. The discount shall be in a percentage equal to  
 89 the percentage of the veteran's permanent, combat-related  
 90 disability as determined by the United States Department of  
 91 Veterans Affairs. To qualify for the discount granted by this  
 92 subsection, an applicant must submit to the county property  
 93 appraiser, at least 180 days before the scheduled mailing of the  
 94 current year's property tax notice, proof of residency at the  
 95 time of entering military service, proof that the disability was  
 96 combat-related, an official letter from the United States  
 97 Department of Veterans Affairs stating the percentage of the  
 98 veteran's permanent disability, and a copy of the veteran's  
 99 honorable discharge. If the property appraiser denies the  
 100 request for a discount, the appraiser must notify the applicant  
 101 in writing of the reasons for the denial, and the veteran may  
 102 reapply. This subsection shall take effect December 7, 2006, is  
 103 self-executing, and does not require implementing legislation.

104 BE IT FURTHER RESOLVED that the following statement be  
 105 placed on the ballot:

106 CONSTITUTIONAL AMENDMENT

107 ARTICLE VII, SECTION 6

108 WORLD WAR II PERMANENTLY DISABLED VETERANS' DISCOUNT ON  
 109 HOMESTEAD AD VALOREM TAX.--Proposing an amendment to the State  
 110 Constitution to provide a discount from the amount of ad valorem  
 111 tax on the homestead of a partially or totally permanently  
 112 disabled veteran of World War II who was a Florida resident at

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113 | the time of entering military service, whose disability was  
114 | combat-related, and who was honorably discharged; to specify the  
115 | percentage of the discount as equal to the percentage of the  
116 | veteran's permanent combat-related disability; to specify  
117 | qualification requirements for the discount; and to specify that  
118 | the provision takes effect December 7, 2006, is self-executing,  
119 | and does not require implementing legislation.



House Joint Resolution

A joint resolution proposing an amendment to Section 6 of Article VII of the State Constitution to entitle certain military personnel and victims of natural disasters to maintain continuous homestead exemptions and certain protections from changes in assessed value.

Be It Resolved by the Legislature of the State of Florida:

That the following amendment to Section 6 of Article VII of the State Constitution is agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose:

ARTICLE VII

FINANCE AND TAXATION

SECTION 6. Homestead exemptions.--

(a) Every person who has the legal or equitable title to real estate and maintains thereon the permanent residence of the owner, or another legally or naturally dependent upon the owner, shall be exempt from taxation thereon, except assessments for special benefits, up to the assessed valuation of five thousand dollars, upon establishment of right thereto in the manner prescribed by law. The real estate may be held by legal or equitable title, by the entirety, jointly, in common, as a condominium, or indirectly by stock ownership or membership representing the owner's or member's proprietary interest in a

28 corporation owning a fee or a leasehold initially in excess of  
 29 ninety-eight years.

30 (b) Not more than one exemption shall be allowed any  
 31 individual or family unit or with respect to any residential  
 32 unit. No exemption shall exceed the value of the real estate  
 33 assessable to the owner or, in case of ownership through stock  
 34 or membership in a corporation, the value of the proportion  
 35 which the interest in the corporation bears to the assessed  
 36 value of the property.

37 (c) By general law and subject to conditions specified  
 38 therein, the exemption shall be increased to a total of twenty-  
 39 five thousand dollars of the assessed value of the real estate  
 40 for each school district levy. By general law and subject to  
 41 conditions specified therein, the exemption for all other levies  
 42 may be increased up to an amount not exceeding ten thousand  
 43 dollars of the assessed value of the real estate if the owner  
 44 has attained age sixty-five or is totally and permanently  
 45 disabled and if the owner is not entitled to the exemption  
 46 provided in subsection (d).

47 (d) By general law and subject to conditions specified  
 48 therein, the exemption shall be increased to a total of the  
 49 following amounts of assessed value of real estate for each levy  
 50 other than those of school districts: fifteen thousand dollars  
 51 with respect to 1980 assessments; twenty thousand dollars with  
 52 respect to 1981 assessments; twenty-five thousand dollars with  
 53 respect to assessments for 1982 and each year thereafter.  
 54 However, such increase shall not apply with respect to any  
 55 assessment roll until such roll is first determined to be in

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56 compliance with the provisions of section 4 by a state agency  
57 designated by general law. This subsection shall stand repealed  
58 on the effective date of any amendment to section 4 which  
59 provides for the assessment of homestead property at a specified  
60 percentage of its just value.

61 (e) By general law and subject to conditions specified  
62 therein, the Legislature may provide to renters, who are  
63 permanent residents, ad valorem tax relief on all ad valorem tax  
64 levies. Such ad valorem tax relief shall be in the form and  
65 amount established by general law.

66 (f) The legislature may, by general law, allow counties or  
67 municipalities, for the purpose of their respective tax levies  
68 and subject to the provisions of general law, to grant an  
69 additional homestead tax exemption not exceeding twenty-five  
70 thousand dollars to any person who has the legal or equitable  
71 title to real estate and maintains thereon the permanent  
72 residence of the owner and who has attained age sixty-five and  
73 whose household income, as defined by general law, does not  
74 exceed twenty thousand dollars. The general law must allow  
75 counties and municipalities to grant this additional exemption,  
76 within the limits prescribed in this subsection, by ordinance  
77 adopted in the manner prescribed by general law, and must  
78 provide for the periodic adjustment of the income limitation  
79 prescribed in this subsection for changes in the cost of living.

80 (g) Notwithstanding the requirements set forth in  
81 subsection (a), individuals meeting the following qualifications  
82 are entitled to maintain a homestead exemption and are entitled  
83 to all protections of subsection (c) of section 4:

84       (1) Any person serving on active duty in the military,  
 85 military reserve, or National Guard who has lived in this state  
 86 for a minimum of 2 years before joining the military, is later  
 87 ordered to relocate from this state, owns a home which is exempt  
 88 from taxation as provided in this section, and chooses to rent  
 89 rather than sell the home shall continue to be entitled to a  
 90 homestead exemption on that property while the person is away  
 91 from the state on active duty. Such person is eligible for the  
 92 exemption under this paragraph for up to 10 years, as long as  
 93 the person remains in the military and owns the home. The person  
 94 may not claim any other homestead exemption during the 10-year  
 95 period. Upon retirement or discharge from the military, the  
 96 person must relocate to this state and make such property his or  
 97 her primary residence within 6 months after discharge in order  
 98 to maintain the homestead exemption on the property.

99       (2) Any person who owns a home which is exempt from  
 100 taxation as provided in this section that has been partially or  
 101 totally destroyed by a natural disaster, as defined by general  
 102 law, may maintain the original homestead exemption on such home  
 103 as long as the person rebuilds a structure, as defined by  
 104 general law, of comparable size to the structure partially or  
 105 totally destroyed. If the square footage of the structure is  
 106 increased, the difference in size between the original structure  
 107 and the rebuilt structure shall be assessed at full value. The  
 108 assessed value of the original structure, including the  
 109 homestead exemption, and the full assessed value of the  
 110 increased size of the rebuilt structure shall be added together  
 111 and shall be the new assessed value for purposes of any

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112 exemptions. To qualify for this exception, the structure must be  
 113 rebuilt within 3 years after having been totally or partially  
 114 destroyed. No other homestead exemption may be claimed during  
 115 the 3-year period.

116

117 BE IT FURTHER RESOLVED that the following statement be  
 118 placed on the ballot:

119

CONSTITUTIONAL AMENDMENT

120

ARTICLE VII, SECTION 6

121

122 MAINTAINING HOMESTEAD EXEMPTION FOR CERTAIN MILITARY  
 123 PERSONNEL AND VICTIMS OF NATURAL DISASTERS.--Proposing an  
 124 amendment to the State Constitution to entitle active-duty  
 125 military personnel who own a home with a homestead exemption and  
 126 are ordered to relocate from Florida and rent rather than sell  
 127 the property to maintain continuous homestead exemption, subject  
 128 to specific time and residence limitations; to entitle persons  
 129 who are victims of a natural disaster who rebuild partially or  
 130 totally destroyed homes to maintain the homestead exemption on  
 131 such homes, subject to specific limitations to capture increased  
 132 construction assessed values; and to provide for such property  
 133 the constitutionally specified limitations on changes in  
 assessments of homestead property.



House Joint Resolution

A joint resolution proposing an amendment to Section 4 of Article VII of the State Constitution relating to classification and assessment of property for ad valorem taxation purposes.

Be It Resolved by the Legislature of the State of Florida:

That the following amendment to Section 4 of Article VII of the State Constitution is agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose:

ARTICLE VII

FINANCE AND TAXATION

SECTION 4. Taxation; assessments.--By general law regulations shall be prescribed which shall secure a just valuation of all property for ad valorem taxation, provided:

(a) Agricultural land, land producing high water recharge to Florida's aquifers, property used exclusively for working waterfront purposes, property used exclusively for affordable rental housing purposes, or land used exclusively for noncommercial recreational purposes may be classified by general law and assessed solely on the basis of character or use.

(b) Pursuant to general law tangible personal property held for sale as stock in trade and livestock may be valued for taxation at a specified percentage of its value, may be classified for tax purposes, or may be exempted from taxation.

29 (c) All persons entitled to a homestead exemption under  
 30 Section 6 of this Article shall have their homestead assessed at  
 31 just value as of January 1 of the year following the effective  
 32 date of this amendment. This assessment shall change only as  
 33 provided herein.

34 (1) Assessments subject to this provision shall be changed  
 35 annually on January 1st of each year; but those changes in  
 36 assessments shall not exceed the lower of the following:

37 a. Three percent (3%) of the assessment for the prior  
 38 year.

39 b. The percent change in the Consumer Price Index for all  
 40 urban consumers, U.S. City Average, all items 1967=100, or  
 41 successor reports for the preceding calendar year as initially  
 42 reported by the United States Department of Labor, Bureau of  
 43 Labor Statistics.

44 (2) No assessment shall exceed just value.

45 (3) After any change of ownership, as provided by general  
 46 law, homestead property shall be assessed at just value as of  
 47 January 1 of the following year. Thereafter, the homestead shall  
 48 be assessed as provided herein.

49 (4) New homestead property shall be assessed at just value  
 50 as of January 1st of the year following the establishment of the  
 51 homestead. That assessment shall only change as provided herein.

52 (5) Changes, additions, reductions, or improvements to  
 53 homestead property shall be assessed as provided for by general  
 54 law; provided, however, after the adjustment for any change,  
 55 addition, reduction, or improvement, the property shall be  
 56 assessed as provided herein.

57 (6) In the event of a termination of homestead status, the  
 58 property shall be assessed as provided by general law.

59 (7) The provisions of this amendment are severable. If any  
 60 of the provisions of this amendment shall be held  
 61 unconstitutional by any court of competent jurisdiction, the  
 62 decision of such court shall not affect or impair any remaining  
 63 provisions of this amendment.

64 (d) The legislature may, by general law, for assessment  
 65 purposes and subject to the provisions of this subsection, allow  
 66 counties and municipalities to authorize by ordinance that  
 67 historic property may be assessed solely on the basis of  
 68 character or use. Such character or use assessment shall apply  
 69 only to the jurisdiction adopting the ordinance. The  
 70 requirements for eligible properties must be specified by  
 71 general law.

72 (e) A county may, in the manner prescribed by general law,  
 73 provide for a reduction in the assessed value of homestead  
 74 property to the extent of any increase in the assessed value of  
 75 that property which results from the construction or  
 76 reconstruction of the property for the purpose of providing  
 77 living quarters for one or more natural or adoptive grandparents  
 78 or parents of the owner of the property or of the owner's spouse  
 79 if at least one of the grandparents or parents for whom the  
 80 living quarters are provided is 62 years of age or older. Such a  
 81 reduction may not exceed the lesser of the following:

82 (1) The increase in assessed value resulting from  
 83 construction or reconstruction of the property.

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84 (2) Twenty percent of the total assessed value of the  
85 property as improved.

86 BE IT FURTHER RESOLVED that the following statement be  
87 placed on the ballot:

88 CONSTITUTIONAL AMENDMENT

89 ARTICLE VII, SECTION 4

90 WORKING WATERFRONT AND AFFORDABLE RENTAL HOUSING PROPERTY  
91 ASSESSMENTS.--Proposing an amendment to the State Constitution  
92 to provide that, for purposes of securing a just valuation of  
93 property for ad valorem taxation, property used exclusively for  
94 working waterfront purposes or affordable rental housing  
95 purposes may be classified by general law and assessed solely on  
96 the basis of character or use.